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SUBJECT: United States Department of Agriculture (USDA), Agricultural Marketing Service Proposed Procedural Revisions Regarding Instrument Technology Use in the Official Meat Grading Program

Dr. Horne:

Since becoming the first USDA certified beef program in 1978, Certified Angus Beef has relied on the integrity of the USDA beef carcass grading system as a foundational element of our approach to consistently deliver the best tasting beef to consumers around the world. Today, we continue to look to this longstanding collaboration with USDA to assure uniform application and stringent adherence to our *Certified Angus Beef*® brand carcass specifications across 13 different packing companies that operate 29 plants in the U.S. licensed to certify carcasses into our brand.

In 2022, our licensed U.S. packing plants certified 5.4 million *Certified Angus Beef*® carcasses under USDA supervision, sold 1.16 billion pounds of our branded products and annually pay producers more than \$182 million in *Certified Angus Beef*® grid premiums. While Certified Angus Beef does not own cattle or our branded product, operate packing plants nor directly contract USDA for the service of plant level beef carcass grading and certification, USDA changes to the procedures governing beef carcass grading and certification can dramatically impact our brand and our community of producers, end-users and consumers. Thus, Certified Angus Beef greatly appreciates the opportunity to comment on the proposed revisions to the above-referenced procedures.

The beef industry has long sought objective methods to measure yield and quality factors of beef carcasses. Instrument grading advancements and adoption levels to date have improved the accuracy, precision and consistency with which beef carcass grades and brand certifications are applied within and across packing plants, only strengthening confidence in the grading system. Additionally, the use of USDA-approved instrument grading technologies has made it much simpler and affordable for accurate and trusted carcass data to be captured and communicated back to producers to utilize in making better informed cattle selection and herd improvement decisions.

As a result, Certified Angus Beef supports the current and expanded use of instrument grading technology across the beef industry along with USDA's desire to continually improve its ability to deliver grading services with the highest levels of consistency and accuracy through rigorous instrument grading system approval, installation and monitoring procedures. Yet, the current proposed procedural revisions present challenges and merit reevaluation before implementation.



Most notably, as it pertains to marbling score and USDA Quality Grade determination, these revisions need to outline a process for USDA to assure the industry a seamless transition to future USDA-approved instruments. The American Meat Science Association's *Review of Instrument Augmented Assessment of USDA Beef Carcass Quality Grades*, effectively chronicles the challenge faced and the collaborative approach taken by industry, technology providers and USDA when the USDA Gold Standard Committee (GSC)-approved instruments, which are currently in use, and USDA subjective field grading did not align.

Learning from the past, it is imperative the marbling scores and quality grades determined by instruments approved under these revised procedures mirror those called by subjective USDA line graders and/or objective instruments already approved and in use. For sake of example, should future GSC-approved instruments effectively establish the Modest and Slightly Abundant marbling thresholds 30 degrees above subjective USDA line graders and currently approved instruments, our brand would experience roughly a 17.5% and 28.5% reduction in the supply of *Certified Angus Beef*® and *Certified Angus Beef*® Prime, respectively. No production and merchandising chain can effectively manage that type of supply and economic disruption nor should be required to do so.

The fact that such a discrepancy can occur does not make one USDA-approved system for determining marbling score and quality grade right and the other wrong. Arguably, it is an artifact of bringing subjective and objective systems together for sake of progress. What is important is that the industry should be assured of similar outcomes regardless of which USDA-approved system is utilized. Otherwise, the industry stands to experience greater variation in quality grade between those plants desiring to adopt future technology and those that do not. This would erode confidence in the grading system and foster discouragement towards innovation and adoption of future grading technologies to the detriment of the beef industry.

In the proposed procedures, a subjective GSC remains responsible for establishing the Official Marbling Score instruments must compare against for approval. While the determination of the official marbling score for instrument approval is more difficult than for yield factors since no true measuring device is used to aid expert determination, efforts should be taken at this time to leverage science to better inform and establish the Official Marbling Scores used for instrument approval. Work done in 2013 at Colorado State University reported a +0.85 correlation between instrument determined marbling score and chemical fat. USDA should collect ether-extracted fat as a more science-based measure for marbling and use this information, perhaps in collaboration with the GSC, when approving new instruments and correlating subjective USDA line graders.

Specific to QAD 516, as proposed, it stands to create a great deal of burden for our licensed packers that choose to adopt instrument grading and certification. Yet, the reasons for the elevated layers of data submission and reporting, as well as the benefits to the industry, are not clearly stated. USDA line graders already verify instrument start-up procedures and monitor calibration of the instrument at the beginning of each shift and also have the authority to override instrument measurements when grade factors are drastically different from USDA grader subjective determinations. Thus, QAD 516 needs to be tabled and reevaluated with additional input from the industry so as to better understand USDA's need for the data, the feasibility of USDA staff availability to actually review and leverage such a vast amount of data for its intended purpose and the ultimate benefit to all industry stakeholders.

Lastly, the recent beef carcass grading issues at a plant in Nebraska, which I know have required a great deal of your attention, generated several questions directed toward our team from producers looking to better understand the grading and certification process, plant to plant variation in quality grade, the use of instrument grading

technology and its correlation with subjective USDA line graders. From our perspective, the situation exposed gaps in communication and perspective between producers, packers, USDA, Certified Angus Beef and likely others. There appears to be clear opportunity for all parties to benefit from regular and more robust dialogue about grading procedures, subjective and instrument grading consistency, future initiatives to retain trust and further improve the grading system, as well as grading trends and industry dynamics responsible for shifting historical grading percentages toward more quality.

To that end, the National Cattlemen's Beef Association and Certified Angus Beef are in process of establishing a loosely structured group of cow-calf producers, cattle feeders, packers and others interested in understanding all aspects of beef carcass grading and who are vested in its effective and efficient implementation. This group would welcome and appreciate USDA's open and active engagement in conversations moving forward with the expectation of creating stronger collaboration to foster the continual improvement we all want. Interaction with this group would be a productive venue for further discussion of the points and actions shared above.

Again, thank you for the opportunity to comment. Certified Angus Beef looks forward to further collaboration with USDA to enhance these proposed procedures. Please feel free to contact me if you would like to discuss any aspect of these comments in more detail.

Respectfully,



John F. Stika

John F. Stika, Ph.D.
President



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