



Cattle Raisers Convention and Expo
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Animal Welfare: What do Ranchers Think? What do Consumers Think?

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Introduction

*Why was 2014 a
“record year” for cattle
prices?*



Introduction

- Why was 2014 so good?
- Recognize critical role of consumer demand & customer product acceptance
 - Complex and changing all the time
 - Increasingly involves “social issues” & calls to document, verify, & at times adjust prod. practices



Introduction

- Consumers curious about food production
 - Price, Taste, Freshness, & Convenience...
 - Nutrition & Health
 - Safety, Environmental Impact, Hormone & Antibiotic Use, & Animal Welfare...
- Industry must know more to respond effectively
 - ***How do producers & the U.S. public compare in views w/r/t animal welfare?***



Benchmarking Cattle Producer & Public AW Perceptions

- “Beef and Dairy Cattle Animal Welfare: Market Opportunities and Threats”
 - USDA AFRI Integrated Grant, 2012-68006-30178
 - Economists: Chris Wolf (MSU) & Melissa McKendree (KSU)
 - Animal Scientist: Janice Swanson (MSU)
 - Veterinarian: Dan Thomson (KSU)
- Nationally representative U.S. public & producer surveys
 - Nov. 2013 – May 2014
 - Cow-Calf Producers (n=686) & U.S. Public (n=1,992)
 - Dairy Producers (n=656) & U.S. Public (n=2,001)



Preliminary Findings

Comparisons of Cow-Calf Producer and U.S. Public Survey Responses



Views on Industry *Supporting Principles*

- BOTH SURVEYS
 - *In your opinion, should the following be supporting principles of the U.S. beef industry?*
 - Strongly Agree (1) ... Strongly Disagree (5) or Don't Know



Views on Industry *Supporting Principles*

	Consumer- Conditional Average	Producer- Conditional Average
Generating a safe supply of beef products.	1.71	1.38
Conserve and protect land and water resources.	1.85	1.52
Generating an affordable supply of beef products.	1.95	1.68
Generating a reliable supply of beef products.	1.95	1.47
Conserve and protect the welfare of beef cattle.	1.95	1.55
Economically efficient beef production.	2.07	1.60
Assuring sufficient farm income for cattle producers.	2.09	1.64
Generating new research and innovation for beef.	2.24	1.68
Being competitive in the global beef marketplace.	2.28	1.57

Note: Lower values convey stronger agreement with each being a supporting principle.



Views on *Ability to Influence & Assure Beef Cattle Welfare*

- BOTH SURVEYS
 - *How much ability do the following parties have to influence and assure beef cattle welfare?*
 - Very Low Ability (1) ... Very High Ability (5) or Don't Know



Views on *Ability to Influence & Assure Beef Cattle Welfare*

	Consumer- Don't Know	Producer- Don't Know
United States Department of Agriculture (USDA)	12%	6%
National Cattlemen's Beef Association (NCBA)	19%	7%
American Farm Bureau (AFB)	21%	9%
Cow-Calf Producer	22%	4%
Ranchers-Cattlemen Action Legal Fund (R-CALF)	23%	14%
The Humane Society of the United States (HSUS)	17%	9%
American Veterinary Medical Association (AVMA)	20%	11%
Consumer - Beef Purchaser	15%	8%
Processor/Packing Plant	18%	8%
Feedlot Producer	27%	7%
University Scientists/Researchers	20%	8%
People for the Ethical Treatment of Animals (PETA)	17%	11%
Resident - Likely Voter	17%	11%
Retail Grocer	16%	9%
Local Veterinarian	18%	6%
Food Service Restaurant	17%	8%

**Producer
average for
Don't know:
8%**

VS

**U.S. Public
average for
Don't know:
19%**



Views on *Ability to Influence & Assure Beef Cattle Welfare*

	Consumer- Conditional Average	Producer- Conditional Average
United States Department of Agriculture (USDA)	4.19	3.49
National Cattlemen's Beef Association (NCBA)	4.05	3.72
American Farm Bureau (AFB)	3.85	3.33
Cow-Calf Producer	3.84	4.17
Ranchers-Cattlemen Action Legal Fund (R-CALF)	3.82	3.27
The Humane Society of the United States (HSUS)	3.54	2.94
American Veterinary Medical Association (AVMA)	3.52	3.58
Consumer - Beef Purchaser	3.41	3.35
Processor/Packing Plant	3.39	3.96
Feedlot Producer	3.33	4.25
University Scientists/Researchers	3.26	3.61
People for the Ethical Treatment of Animals (PETA)	3.25	2.84
Resident - Likely Voter	3.17	3.00
Retail Grocer	3.05	2.93
Local Veterinarian	3.03	3.90
Food Service Restaurant	2.98	2.90



Views on *Accuracy of Beef Cattle Welfare Information*

- BOTH SURVEYS
 - *How accurate is the beef cattle welfare information provided by the following parties?*
 - Very Inaccurate (1) ... Very Accurate (5) or Don't Know



Views on Accuracy of Beef Cattle Welfare Information

	Consumer- Don't Know	Producer- Don't Know
United States Department of Agriculture (USDA)	25%	12%
American Veterinary Medical Association (AVMA)	31%	15%
University Scientists/Researchers	31%	12%
The Humane Society of the United States (HSUS)	29%	12%
American Farm Bureau (AFB)	32%	14%
National Cattlemen's Beef Association (NCBA)	32%	11%
Local Veterinarian	31%	10%
Ranchers-Cattlemen Action Legal Fund (R-CALF)	34%	19%
Cow-Calf Producer	34%	10%
People for the Ethical Treatment of Animals (PETA)	29%	12%
Consumer - Beef Purchaser	33%	18%
Feedlot Producer	36%	13%
Retail Grocer	30%	20%
Processor/Packing Plant	30%	15%
Resident - Likely Voter	34%	19%
Food Service Restaurant	31%	21%

**Producer
average for
Don't know:
15%**

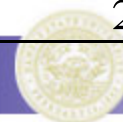
VS

**U.S. Public
average for
Don't know:
31%**



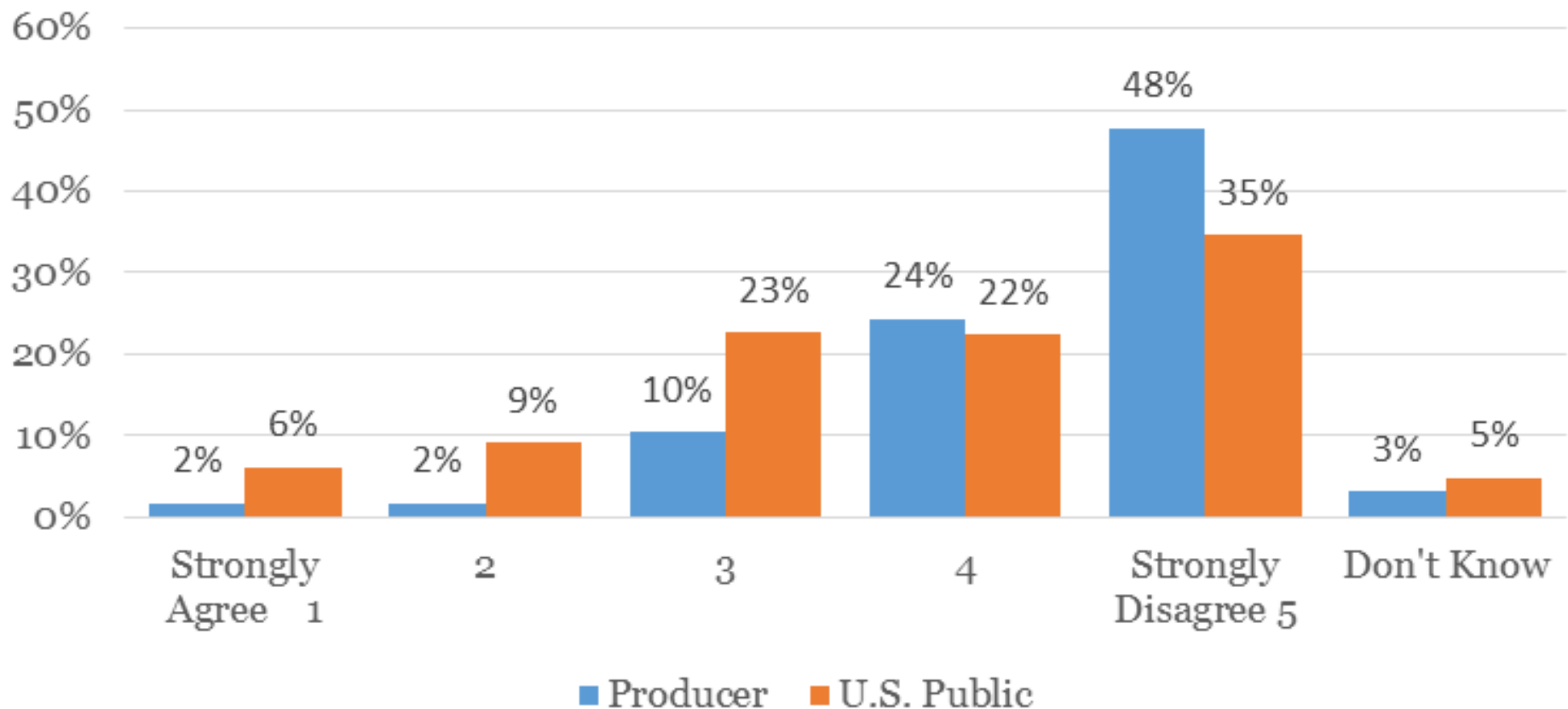
Views on Accuracy of Beef Cattle Welfare Information

	Consumer- Conditional Average	Producer- Conditional Average
United States Department of Agriculture (USDA)	3.71	3.42
American Veterinary Medical Association (AVMA)	3.68	3.82
University Scientists/Researchers	3.64	3.81
The Humane Society of the United States (HSUS)	3.62	1.93
American Farm Bureau (AFB)	3.60	3.59
National Cattlemen's Beef Association (NCBA)	3.52	3.82
Local Veterinarian	3.48	4.07
Ranchers-Cattlemen Action Legal Fund (R-CALF)	3.42	3.56
Cow-Calf Producer	3.31	4.01
People for the Ethical Treatment of Animals (PETA)	3.27	1.61
Consumer - Beef Purchaser	3.03	2.82
Feedlot Producer	3.02	3.92
Retail Grocer	2.99	3.02
Processor/Packing Plant	2.94	3.64
Resident - Likely Voter	2.87	2.50
Food Service Restaurant	2.81	2.90



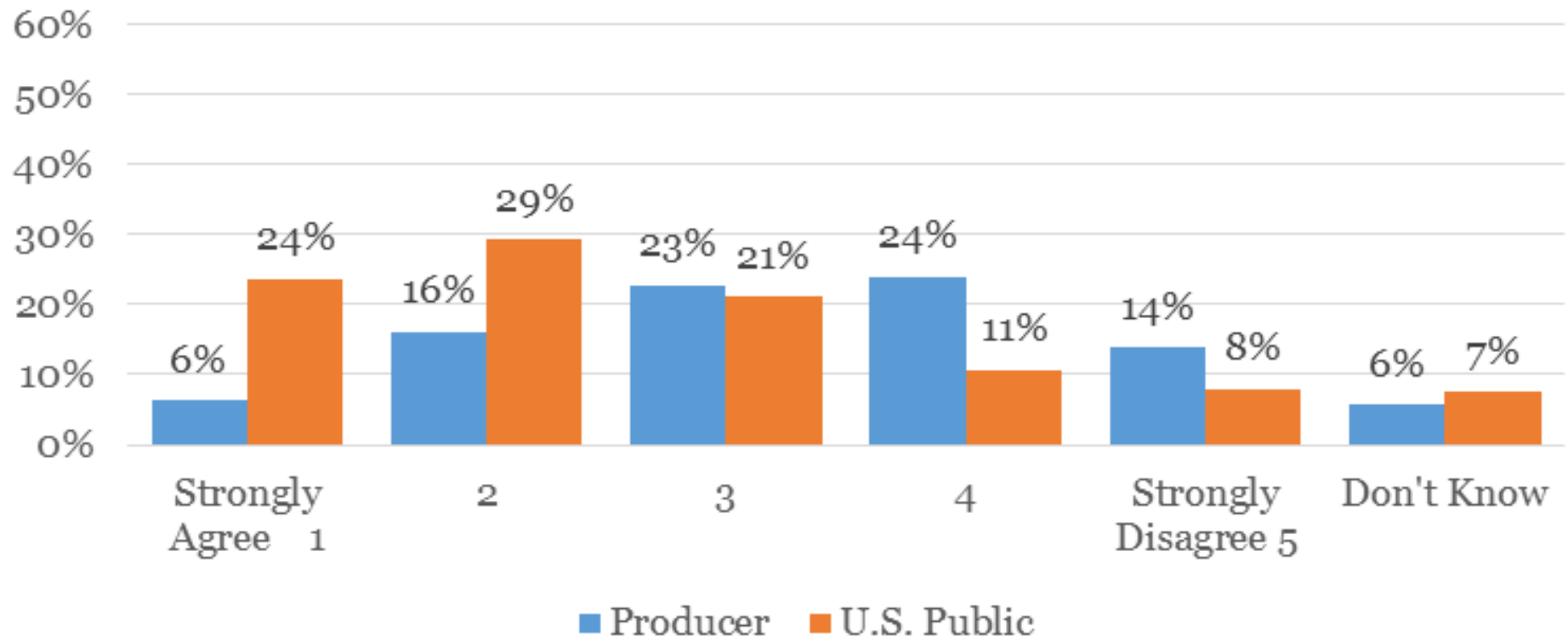
Views on *Importance*

"Low beef prices are more important than the well-being of cattle."



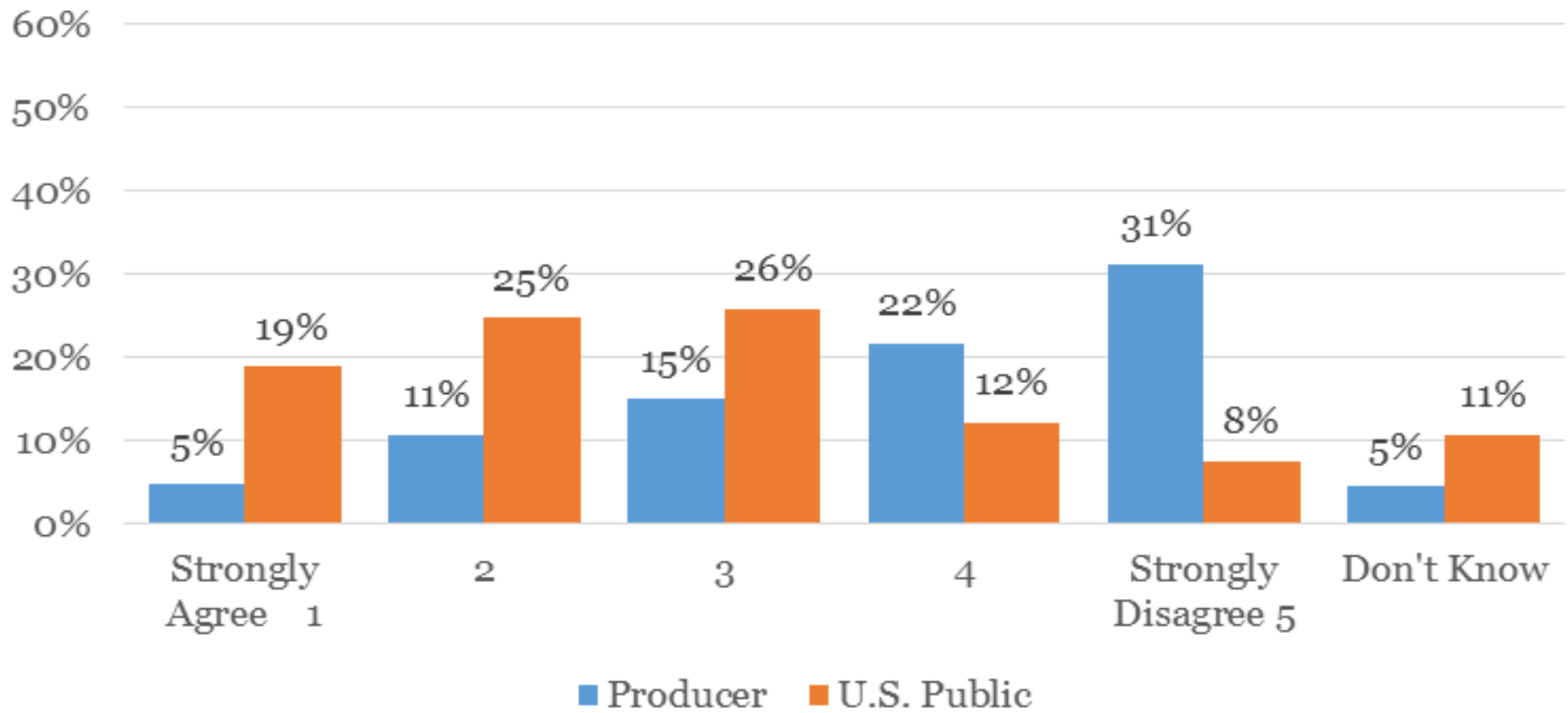
Views on *Importance*

"The average American thinks low beef prices are more important than the well-being of cattle."



Views on *Trade-offs*

"I believe that cattle producers face a trade-off between profitability and animal welfare."



Views on prevalence of 11 beef production practices/issues

What percentage chance do you believe the typical U.S. beef product comes from:

	0%- 25%	26%- 50%	51%- 75%	76%- 100%	Don't Know
Cattle dehorned/disbudded with pain control					
Cattle older than three months of age castrated with pain control					
Farms/ranches with consistent training program for employees focusing on principles of animal care and handling					
Farms/ranches with third party verification that appropriate animal care and facilities are provided					
Cattle provided access to fresh, clean feed and water					
Cattle provided antibiotics to prevent illness and disease					
Cattle provided shade, windbreaks, and ventilation					
Farms/ranches where injured or sick animals are treated or euthanized promptly					
Farms/ranches with a herd health plan , developed with the help of a veterinarian					
Farms/ranches with less than 100 beef cows					
Farms/ranches providing appropriate overall care for the well-being of their cattle					



What percentage chance do you believe the typical U.S. beef product comes from:

	Cow-Calf Producers	U.S. Public
	Don't know	Don't Know
Cattle provided access to fresh, clean feed and water	7%	24%
Cattle provided antibiotics to prevent illness and disease	8%	27%
Cattle provided shade, windbreaks, and ventilation	10%	30%
Cattle dehorned/disbudded with pain control	22%	41%
Cattle older than three months of age castrated with pain control	19%	42%
Farms/ranches with consistent training program for employees focusing on principles of animal care and handling	19%	30%
Farms/ranches with third party verification that appropriate animal care and facilities are provided	25%	31%
Farms/ranches where injured or sick animals are treated or euthanized promptly	14%	33%
Farms/ranches with a herd health plan , developed with the help of a veterinarian	13%	30%
Farms/ranches with less than 100 beef cows	13%	30%
Farms/ranches providing appropriate overall care for the well-being of their cattle	8%	25%

**Producer
average for
Don't know:
15%**

VS

**U.S. Public
average for
Don't know:
31%**



What percentage chance do you believe the typical U.S. beef product comes from:

	Cow-Calf Producers	U.S. Public
	Weighted Average	Weighted Average
Cattle provided antibiotics to prevent illness and disease	59%	60%
Farms/ranches with consistent training program for employees focusing on principles of animal care and handling	35%	44%
Farms/ranches where injured or sick animals are treated or euthanized promptly	58%	47%
Farms/ranches with a herd health plan , developed with the help of a veterinarian	50%	46%
Farms/ranches with less than 100 beef cows	50%	35%

General Areas of Agreement



What percentage chance do you believe the typical U.S. beef product comes from:

	Cow-Calf Producers	U.S. Public
	Weighted Average	Weighted Average
Cattle provided access to fresh, clean feed and water	74%	58%
Cattle provided shade, windbreaks, and ventilation	62%	46%
Cattle dehorned/disbudded with pain control	25%	41%
Cattle older than three months of age castrated with pain control	24%	41%
Farms/ranches with third party verification that appropriate animal care and facilities are provided	23%	45%
Farms/ranches providing appropriate overall care for the well-being of their cattle	73%	52%

Areas of Divergence

Can be viewed as opportunities or threats...



Effective and Practical Actions to Improve Welfare of Beef Cattle in the U.S.

Provide access to **fresh, clean feed and water** appropriate for the animal's physiological state.

Provide adequate comfort through the use of **shade, windbreaks, and ventilation** assuring clean, dry, sanitary environmental conditions for cattle.

Promptly **treat or euthanize** all injured or sick animals.

Develop a **herd health plan** with the help of a veterinarian.

Consistent training program for owner and employees focusing on principles of animal care and handling.

Restrict use of **antibiotics** to only disease treatment.

Castrate male calves either within the first three months of age or **with pain control**.

Dehorn/disbud calves either before horn tissue adheres to skull or **with pain control**.

Third party verification that appropriate animal care and facilities are provided on farm.



Most Effective and Practical Actions to Improve Welfare of Beef Cattle in the U.S.

- Same 3 actions for producers & consumers
 1. Provide access to **fresh, clean feed and water** appropriate for the animal's physiological state.
 2. Provide adequate comfort through the use of **shade, windbreaks, and ventilation** assuring clean, dry, sanitary environmental conditions for cattle.
 3. Promptly **treat or euthanize** all injured or sick animals.



Public's vote-buy consistency & producer perceptions of behavior

- PUBLIC SURVEY

- *Would you support the following restrictions on food production practices if asked to vote on them?*
- *Would you pay a price premium for the following food products?*

- PRODUCER SURVEY

- *What percentage of the U.S. public do you believe would:*



Public's vote-buy consistency & producer perceptions of behavior

	Consumer- Yes	Consumer- Don't know	Producer- Conditional Average	Producer- Don't Know
Vote to ban cattle castration without use of pain control	66%	15%	53%	16%
Pay a premium for beef from cattle castrated with pain control	36%	38%	26%	18%

30% gap

27%
perceived
gap

Note: producers were asked what they thought typical American would do.



Ranking of Consumer Stated WTP for Beef Attributes

- Order of stated mean WTP on Beef Steak
 - Guaranteed Tender (\$1.79/lb)
 - Natural (\$1.79/lb)
 - Locally Produced (\$1.78/lb)
 - Hormone-Free (\$1.73/lb)
 - Antibiotic-Free (\$1.72/lb)
 - Organic (\$1.69/lb)
 - **Animal Welfare Assured (\$1.61/lb)**
 - Sustainably Produced (\$1.59/lb)



Lister et al. (forthcoming)

Importance Shares	
	<i>Ground Beef</i>
Safety	21%
Freshness	20%
Taste	12%
Health	12%
Nutrition	8%
Price	7%
Hormone Free/Antibiotic Free	7%
Animal Welfare	5%
Origin/Traceability	3%
Environmental Impact	3%
Convenience	2%

41%

18%



Q: Will Consumers Pay for This?

- Short-Term: **NO**
 - Otherwise we would see more differentiation
- Longer-Term: **YES**
 - Production costs are realized over time impacting Ps & Qs for whole industry



Q: *Will Consumers Pay for This?*

- Short-Term: **NO**
- Longer-Term: **YES**

–Maintain Context:

- World wants more grain-finished beef

&

- U.S. positioned to provide it



Q: Will Consumers Pay for This?

➤ **Not the only question
we each must consider...**



Q: Will Consumers Pay for This?

➤ **Not the only question we each must consider...**

Q: What situation will the industry be in if we do not recognize, adapt, and evolve?



Economic Realities Going Forward

- Center for Food Integrity's Sept. 4, 2013 tweet:

“Science tells us if we can do something.

Society tells us if we should do it.”



Economic Realities Going Forward

- Outcomes will only partially align with “best science” approaches or “producer preferences”
 - Public will give license to utilize only a subset of available production options that ‘technically work’
 - Economic & political optimality critical to see



Take-Home Message: Public & Producer Agreement

- Importance of AW
- Effectiveness & Practicality of:
 1. Providing access to **fresh, clean feed and water** appropriate for the animal's physiological state.
 2. Providing adequate comfort through the use of **shade, windbreaks, and ventilation** assuring clean, dry, sanitary environmental conditions for cattle.
 3. Promptly **treat or euthanize** all injured or sick animals.



Take-Home Message: Challenges & Opportunities

- Public “Don’t Knows” ...
- Divergence on Perceived AW Info Accuracy
- Perceptions of Practices vs. Actual Frequency
- Vote-Buy Behavior Differences



Wrap-Up

- AW “issues” are here to stay
 - Documenting, verifying, &/or changing practices is largely a cost of doing business
- Similarities and differences exist between producers & U.S. public
 - Opportunities for productive discussion
 - Threats from inaction or passive approaches



More information available at:



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