February 2006

Animal Industry News Update
from the LCES Animal Science Specialists

Swine (Dr. Tim Page)
Pseudorabies and Feral Swine in the United States

The pseudorabies federal-state-industry eradication effort, widely considered as a model for future disease eradication programs, was initiated in 1989 when there were more than 10,000 infected swine herds nationally. It was in 2002 that the zero infected herd level was first recorded in the United States. Today, every state in the nation maintains Stage V, or free status.

As of today, there is no pseudorabies infection in any U.S. commercial pork production operation. The disease does however still exist in feral swine in several areas around the country. This problem still dominates discussions of the U.S. Animal Health Association Pseudorabies Committee. Four instances of feral pseudorabies infection were found in feral swine in 2005. Captured feral hogs in Arizona seized by state officials at a “Hog/Dog Rodeo” were found to be positive for the disease and destroyed. A transitional herd in Louisiana was detected through slaughter surveillance, which was tested and destroyed. Two other herds in Louisiana were found through slaughter surveillance. All of the animals were captive feral pigs. They were slaughtered and no hogs remain on those farms.

Feral swine continue to spread into Iowa, Wisconsin, Michigan, Nebraska, Pennsylvania and New Jersey. Many feral swine remain in Texas, Arkansas, Louisiana, Mississippi, Alabama, Georgia and Florida. Surveillance programs for pseudorabies and brucellosis will continue for commercial swine that originate from geographic areas where feral swine exist. Spot surveillance will remain in other areas of the country as well.

I get phone calls on a regular basis from people in Louisiana that have captured feral hogs and they want to know what they can use to feed them out to slaughter. All agents should discourage clientele from this practice. If feral hogs (and most likely they will have pseudorabies – two years ago 33 feral hogs were trapped in north Louisiana and 17 had pseudorabies) come in contact with domestic hog operations, the disease will pass readily to the domestic hogs. This could very easily lead to a show pig producer having to destroy everything on their farm, and could even lead to Louisiana losing the Stage V free status. If that happens, then we will return to testing show pigs again and I know no one wants to do that.

Poultry (Dr. Theresia Lavergne)

National Situation

Total broiler production for 2005 is estimated to be 35.3 billion pounds, which is up 3.6% from 2004. Wholesale price of broilers averaged 70.8 cents per pound, down 3.3 cents per pound from 2004. Total broiler exports for 2005 are estimated to be about 8-9% higher than in 2004. Egg production increased in 2005 (6.4 million dozen), and egg prices decreased 16.7 cents per dozen in 2005 (65.5 cents per dozen). Per capita consumption was 255.5 eggs and 85.6 pounds of broiler meat in 2005.

National Outlook

Due to larger numbers of chicks placed for growout and increased average broiler weight at slaughter, broiler production is expected to increase approximately 3% in 2006. Broiler prices are expected to remain the same in 2006. The broiler export market is expected to increase approximately 3-4%. Egg production is expected to increase slightly in 2006. Wholesale prices should increase in 2006.

Louisiana Situation

In 2005, almost one billion pounds of broilers were produced. The gross farm value of broilers was $655.8 million in 2005. There were 408 broiler producers. There were 882 egg producers 2005. Total eggs produced in 2005 was 13.3 million dozen. Farm value of commercial egg production was $8.65 million in 2005.

Louisiana Outlook

Broiler production should follow the national outlook in 2006, which should increase. Broiler prices and net returns should remain similar to 2005. Also, wholesale egg prices should increase compared to the 2005 prices, and production should increase slightly in 2006. The number of egg producers should be similar to 2005.

Dairy (Dr. Charlie Hutchison)
Milk Production, Cow Numbers and Prices

Milk production appears to have no limits. Milk production for the top 23 dairy states grew 5.4% in January compared to the same month a year ago, according to a recent USDA Milk Production report. The increased output was primarily due to a 4.1% increase in milk per cow. Also, cow numbers were higher — up 103,000 head from January 2005. According to the latest USDA’s “Livestock Slaughter” report, 202,000 dairy cows went to slaughter during January. That is 15,000 less head versus January 2005, but is 2,000 head more than December 2005. The milk production figures, slaughter numbers and an 8% increase in cold storage of American cheese this year led to the bubble bursting on cheese prices on the Chicago Mercantile Exchange during the last week of February. Block cheese prices fell below support prices for the first time in 34 months. Blocks closed at $1.1275/lb. The dairy support price is $1.13. Barrels closed at $1.1050. Class III futures took a plunge as well, with April, May and June contracts trading below $11 per cwt. In fact excluding the current month, there were no $12 prices on the board until July 2007. The March Class I price was announced at $12.49. The price is down 89 cents versus February and $2.94 less than a year ago.

Milk Production, Antibiotic Residue Rates and Farms in 2005

U.S. annual milk production for 2005 was 177 billion pounds which is a 3.5% increase compared to production in 2004. Annual milk production has grown 15% during the past 10 years. According to USDA's January "Milk Production" report, the number of licensed dairy operations in 2005 was 64,555 which is a decrease of 2,270 dairy farms as compared to 2004. The Food and Drug Administration reported that less than 0.06% of all milk samples tested were positive for antibiotics drug residues in 2005. This is a 9% decline from 2004 and a 46% decline compared to a decade ago. However, keep in mind that total production was about 177 billion pounds and a residue rate of 0.06% would represent more than 100 million pounds of milk rejected due to antibiotic residues. That would be equivalent to the total annual production of a 5,000 cow herd producing 20,000 lb milk per cow.

MILC Program Rises Again

In early February, President Bush signed into law the budget-reconciliation bill that includes an extension of the Milk Income Loss Contract program. As you may recall the program ended September 30, 2005. The program has been revised slightly. The 2.4 million pounds limit is the same, the trigger price of $13.69 /cwt compared to the announced Class I base price is the same, but the multiplier used to determine the MILC payment that is multiplied to the difference between the two prices is only 34% instead of 45%. Chris Galen, spokesman for the National Milk Producers Federation says the big question now is how implementation will be handled. The program is retroactive back to Oct. 1, 2005, and will end in September, 2007. Producers could have received small payments for milk produced in December of 2005 (4.08 cents per cwt) and 10.54 cents per cwt for both January and February, 2006. With the drop in the price of milk the MILC payment for March will be about 41 cents per cwt. There are a lot of questions about sign-up that the USDA and local FSA office will need to clarify.

Beef (Dr. Jason Rowntree)

Source Verification

Age and Source Verification are here. Process verification comes in many forms but is most easily defined as the verification of the source of origin, age, feeding processes, genetics, livestock handling, and health programs of the beef animal. Two well recognized verification programs are: 1) the Process Verified Program (PVP) and 2) the Quality Systems Assessment (QSA). Both of these programs are in place to ensure or verify production attributes and backgrounds of cattle. Leann Saunders, IMI Global, defines a PVP as one step beyond a QSA program. However, she states both are sufficient to meet the USDA's requirements for source and age verification. Branded beef programs typically work towards the PVP.

In order to educate producers on age and source verification, the LSU AgCenter has organized a Source Verification Short Course to be held at the Acadia Parish Office, Crowley, LA, on May 19th. Registration for the event begins at 8:30 am. The short course will begin at 9:00 am and end at 3:00 pm. Cost for the event is $ 15.00; this fee includes lunch. A national lineup of speakers will participate. A short course brochure can be obtained at our website www.lsuagcenter.com/beef. Also, for producers and agents who would rather stay close to home, the program will be broadcast via distance education across the state. Please contact me: jrowntree@agcenter.lsu.edu for more information, or if you have any questions.