

2002 Pork Forum Resolutions

Education/Environment/Production

EEP#1: Economics of Environmental Rules (Passed)

MOTION: That the National Pork Producers Council provide education to the Environmental Protection Agency (EPA) officials on the economics of hog production and agriculture practices, as they relate to environmental rules.

EEP#2A: Support of Nutrient Management Research (Passed as amended)

MOTION:

- A. NPPC financially support continued nutrient management research.
 - B. NPPC financially support the education of producers about the implementation of Best Management Practices (BMP's) that are science-based and that keep nutrients in place.
 - C. These standards should apply to all non-point sources including non-agriculture applications.
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EEP#2B: Phosphorus Regulations (Not considered due to result of similar resolution)

MOTION: That NPPC support continued research on the effects of phosphorus on the environment; but will oppose any regulations that mandate phosphorus-based manure application rates that are not science based.

EEP#3: EPA CAFO Guidelines (Passed as amended)

MOTION: That the National Pork Producer Council promote to the Environmental Protection Agency (EPA) regulatory options and Best Management Practice's (BMP's) that are practical, economical, and scientifically based for inclusion into the National Pollution Discharge Elimination System (NPDES) program and effluent limitation regulatory guidelines for Concentrated Animal Feeding Operations (CAFO's).

Pork producers condemn the legal attack by the Water Keepers Alliance, animal rights activists, environmental extremists, and others, which if successful, will destroy the U.S. pork industry.

These outrageous and vicious lawsuits represent a dangerous new direction in the trial lawyers' campaign of extortion by litigation, defamation, junk science and fear. These lawsuits threaten the very existence of any pork producer, regardless of size, who employs generally accepted methods of production and establishes an extremely dangerous precedent for American agriculture.

The NPPC shall monitor these lawsuits – and respond appropriately - and clearly communicate with pork producers and the public regarding the "facts" associated with this unwarranted legal assault on pork producers and American agriculture.

EEP#4: PQA Recertification Requirements (Passed as amended)

MOTION: That NPPC change its requirements for PQA recertification. The request is to change the renewal from two years from the class date to a two-year extension from the expiration date. In order to qualify as an extension, the class would have to be completed within six months prior to the expiration.

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Marketing

MT#1: Risk Management Tools and Education (Passed as amended)

MOTION: That the National Pork Producers Council encourage the Chicago Mercantile Exchange and the Chicago Board of Trade to develop and deliver producer education programs on risk management tools and methods with particular emphasis on CME European options on the CME Lean Hog Index and CME E-mini Lean Hogs Contracts.

MT#2A: CME Lean Hog Contract (Defeated)

MOTION: To change the CME Lean hog contract from a non-deliverable contract to a deliverable contract or to a monthly contract.

MT#2B: Futures Contracts (Defeated)

MOTION: That the National Pork Producers Council pursue the review and implementation of changing the Chicago Mercantile Exchange pork carcass futures contracts to deliverable contracts. Defeated.

MT#3: Smaller CME Lean Hog Contract (Defeated)

MOTION: To change the Chicago Mercantile Exchange (CME) Lean hog contract from a 40,000# contract to a smaller contract to reflect a 50,000# load of live hogs converted to lean weight.

MT#4: Price Discovery (Passed)

MOTION: That the National Pork Producers Council work to fully inform producers and agricultural lenders of the risks involved with, and ramifications of, pricing arrangements made with packers that use the spot market, but do not participate in that market.

MT#5: Producer-Owned Cooperatives (Passed as amended)

MOTION: That NPPC continue to provide information on value-added initiatives for pork producers, that include but are not limited to producer owned packing and processing facilities.

MT#6: Consolidation (Defeated)

MOTION: That National Pork Producers Council (NPPC) request a study by USDA and other corresponding agencies relating to where the trend of consolidation and concentration is leading Agriculture.

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Public Policy

PP#1A: Market Availability (Passed as amended)

MOTION: That the National Pork Producers Council intensify efforts to monitor further packer/market consolidation that will decrease competitive market access and availability for pork producers.

PP#1B: Temporary Suspension of Mergers and Acquisitions (Not considered due to result of similar resolution)

MOTION: The National Pork Producers Council (NPPC) support a temporary suspension of approval for mergers and acquisition in the agricultural industry and encourage a USDA, US Department of Justice, and/or Federal Trade Commission study concerning the effects of these actions on the agricultural economy.

PP#1C: Support Suspension of Meat and Poultry Processor Mergers (Not considered due to result of similar resolution)

MOTION: That the National Pork Producers Council take all actions necessary to pass legislation that would: 1) suspend for 24 months large meat and poultry processors' ability to acquire other processors and production facilities, and 2) establish a review commission to provide recommendations to Congress to improve federal laws with regard to the competitive environment of the livestock industry.

PP#1D: Pork Consolidation (Not considered due to result of similar resolution)

MOTION: NPPC opposes further consolidation of the packer industry.

PP#1E: IBP Buyout (Not considered due to result of similar resolution)

MOTION: That any process that results in Smithfield Foods, Tyson or any other major packing plant acquiring IBP's slaughter facilities be opposed by the National Pork Producers Council (NPPC);

That if the Department of Justice does approve a buyout of IBP that the following conditions be imposed: Any plants divested may be purchased by another entity; no reduction in present shackle space in order to preserve current slaughter capacity and adjust for average expansion rates.

PP#2: Packer Ownership of Hogs (adopted as amended or substituted)

That NPPC recognize an individual's rights in a capitalistic society to pursue their economic benefit and clarify NPPC's position to be neutral on packer ownership of hogs.

PP#3: Packer Ownership of Livestock (Passed)

MOTION: That the National Pork Producers Council ask USDA and/or corresponding agencies, (outside the National Pork Producers Council) with expertise in the swine industry, to conduct an immediate study, regarding the direct effects of packer ownership on the market place and independent producers.

PP#4: Enforcement of Packers and Stockyards Act (Passed)

MOTION: That NPPC continue to ensure that the Packers and Stockyard Act is fully enforced.

PP#5: Packers and Stockyards Discrimination Enforcement (Defeated)

MOTION: That state associations, as well as National Pork Producers Council, urge USDA/Grain Inspectors Packers and Stockyards Administration (GIPSA) and other agencies as appropriate, to enforce existing laws pertaining to unreasonable price discrimination.

PP#6: Cooperative Marketing (Defeated)

MOTION: That NPPC seek legislation that will provide an avenue for members of agricultural cooperatives to petition for and receive par value of all preferred stock and retained earnings

allocated to that member, if said cooperative changes the eligibility of its producer member for any or all of its programs, or engages in agricultural production activities that are in direct economic competition with its members.

PP#7: Value-Added Initiatives (Passed)

MOTION: That NPPC work aggressively concerning value-added initiatives for the pork industry.

And that NPPC attempt to secure additional monetary appropriations in the FY 02 Congressional budget for producers targeted to value-added grants and equity financing assistance.

PP#8-Substitute: Animal Health Protection Act (Passed)

MOTION: In the Animal Health Protection Act, the National Pork Producers Council should seek a balanced inclusive approach with regard to Federal and State authority that allows the use of sound science to protect the national and state livestock industries.

PP#8: Animal Health Protection Act (Withdrawn)

MOTION: In regard to the Animal Health Protection Act, consolidation of Federal animal health laws may be a positive goal and has advantages to the industry in world trade agreements. However, complete Federal authority and the prevention of actions by states to protect their livestock industry may not be in the best interest of the South Dakota livestock producer. Consequently the Executive Board of the South Dakota Pork Producers and the Animal Industry Board Representative, recommend that South Dakota Pork Producer Council and National Pork Producer Council to seek a balanced approach that accomplishes some standardization, but allows states to exercise sound judgement in protection of their livestock industry.

PP#9: Electoral College (Withdrawn)

MOTION: That the National Pork Producers Council support the continuation of the current electoral college process for United States Presidential elections.

PP#10: Animal Health Safeguarding Review (Passed as amended)

That the National Pork Producers Council urge the U.S. Department of Agriculture, Animal and Plant Health Inspection Service to implement the recommendations of the Animal Health Safeguarding Review and NPPC take the necessary actions to ensure the timely implementation of these recommendations.

That NPPC be directed to work on a continuous basis with USDA's APHIS to ensure all appropriate safeguards are being taken to protect U.S. animal herds from foreign animal diseases including the current Foot-and-Mouth Disease outbreaks.

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Shareholder Outreach

SO#1: Shared Information (Passed as amended)

MOTION:

A. That the NPPC not share any database information with other profit or not for profit entities, governments and other organizations without the expressed written consent of states.

B. Section withdrawn

C. That the NPPC Board of Directors, with approval of the National Pork Board, be charged with the responsibility of crafting policy for the distribution of information gathered under the public checkoff program. Passed

SO#2: Resolutions (Defeated)

MOTION: That any resolution submitted by a state to the national delegate body also takes precedence over resolutions referring to the same subject by a national committee or the board of directors, and be considered by the delegate body first.

SO#3: Combining Proposed Resolutions by the NPPC Bylaws and Resolutions Committee Prior to Pork Forum (Defeated)

MOTION: That the NPPC Bylaws and Resolutions Committee should not routinely combine proposed resolutions.

SO#4: Environmental Scan (Withdrawn)

MOTION: That the 2000 SO#2A Task Force (Environmental Scan) utilize the research from the referendum and other producer input to address the challenges to the checkoff program. Those challenges include:

1) Direction of the industry.

2) Involvement of packers/processors in the decision-making process.

Defining the beneficiary of the checkoff

SO#5: Future National/State Models and Funding Plan (Withdrawn)

MOTION:

A. That the NPPC task force on future national/state models accelerate its timetable and provide a written report to delegates by November 1, 2001.

B. That this task force also examine the potential for NPPC to assist in the implementation of a state directed voluntary investment effort to effectively support industry advocacy issues on a local, state, national and international basis.

SO#6: NPPC Officer Structure (Withdrawn)

MOTION: That the National Pork Producers Council review the current tenure and term of their officers in order to allow the NPPC President and other officers the opportunity to serve three consecutive one year terms.

That consideration also be given to compensation for the officers in accordance with the financial means of the NPPC

SO#7: Producer Involvement and Participation (Withdrawn)

MOTION: To expand producer involvement in the organization by developing and implementing programs and activities to enhance direct communications and interaction with pork producers.

SO#8: Pork Image Development (Defeated)

MOTION: That the NPPC direct appropriate funds to enhance the image of pork production, addressing, but not limited to, the subjects of economic importance, environmental stewardship, animal care, responsible pharmaceutical administration and community involvement.

SO#9: Campaign Finance (Withdrawn)

MOTION: The National Pork Producers Council (NPPC) support campaign finance reform.

SO#10: Future Organizational Structures (Passed as amended)

MOTION: That the NPPC Officers and Board of Directors be directed to form a Task Force, consisting of a minimum of 12 producers at large, 5 state presidents, 3 National Board members, and 2 selections at large, and 1 allied industry representative whose charge is to examine and bring forth options and alternatives for a national organizational structure that meets the needs of pork producers today and into the future.

The Task Force should;

1. Provide value to pork producers

2. Address issues, including, but not limited to opportunities and limitations by the Pork Act and options for addressing these opportunities and limitations:

- Funding - Objectives
- Membership - Deliverables
- Membership structure - Potential
- Governance - Purpose
- Needs - Priorities

3. Seek broad input from all segments and geographical location of producers

4. Evaluate the critical relationships with industry stakeholders which affect the success of pork producers.

5. The Task Force is asked to deliver a preliminary report by World Pork Expo 2001, and evaluate whether an NPPC Special Delegate Session is necessary at World Pork Expo.

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