

Restoring Market Access

Bypassing the Industrial Meat Monopoly



Mike Callicrate is an independent cattle producer, feedyard owner, business entrepreneur, and political activist who once received the “Westerner of the Year” award from the Western Ranchers Beef Cooperative. An active rancher in Kansas and Colorado since 1978, he formed a company called Ranch Foods Direct in 2000, selling his all-natural beef — as he explains below — in an end-run around the impossible constraints of the industrial marketing system. More important for our purposes, he was one of the plaintiffs in a 1996 lawsuit against IBP brought by the Cattlemen’s Legal Fund, then as now the largest beef packer in the United States (it’s now called Tyson Fresh Meats).

Callicrate and his colleague took the suit, which alleged unfair and discriminatory marketing practices, all the way to the Supreme Court. He was a founding member of the Organization for Competitive Markets, R-CALF, and the Kansas Cattlemen’s Association. As a member of the Peak to Plains Alliance, he promotes local food production and provides custom processing to area farmers and ranchers. His views on the livestock trade are thus well-founded, and he’s not shy about making them known.

— Chris Walters

Mike Callicrate

ACRES U.S.A. What is the driving force behind your work?

MIKE CALLICRATE. I get out of bed every morning trying to figure out how to increase income at the farm and ranch gate and save rural communities so that they can provide our food in the future. Having been in St. Francis, Kansas, since 1975 and built a couple of feedlots there, I’ve experienced all the problems caused by concentration and consolidation and lack of market access over the years. We’ve lost so much infrastructure and so many producers that the work I do becomes more important to me every day. I hear all about the local stuff, the grassfed and all of the wonderful opportunities for people to know where their food comes from, the increasing awareness among people of the importance of knowing your farmer and knowing your food — and I’m very frustrated, because even with all of this anecdotal storytelling, there honestly is very little market access actually available to people who produce, due to the big corporations wanting to look like us — look like that

small family farm in their marketing campaigns. Consumers have a very hard time figuring it all out.

ACRES U.S.A. What role did your early experience play in putting you on this path?

CALLICRATE. I grew up in Evergreen, Colorado. My father grew up as a farmer, but was actually a millwright. We had five acres south of Evergreen where we did everything we could possibly do as far as producing livestock and growing food while I learned from my father’s farming experience. I ended up in Kansas after graduating from college with an Animal Science degree, went out there to farm and ranch.

ACRES U.S.A. How did you come to found the Cattlemen’s Legal Fund?

CALLICRATE. That happened around 1996 when some cattlemen got together and sued IBP for anti-competitive practices, and that lawsuit eventually made its way into the court about eight years

later, with Tyson then owning IBP. The Cattlemen's Legal Fund was started to support our work on that lawsuit.

ACRES U.S.A. What was at issue in that lawsuit, and what was the outcome?

CALLICRATE. We claimed that IBP was violating the Packers and Stockyards Act, which basically says that a packer can't do things that have the effect of reducing competition. We sued IBP for what we thought was illegal use of their captive supplies — cattle they had access to outside of the competitive market. We were convinced that IBP was using these cattle to stay out of the cash market, thereby lowering that value, and then also being able to set a low price on the captive cattle, those cattle that came to them through contracts or some sort of a relationship with a cattle feeder, or various other means. After we presented our case before a jury in Montgomery, Alabama, they awarded us \$1.28 billion in monetary damages. We were looking forward to the injunctive relief — the most important thing to us was getting the markets working again. We hoped that might lead to perhaps the government saying the big packers can't use captive supplies, that they've got to buy on the cash market. There has to be a local, fair and competitive price discovery system. A few weeks after that verdict, the judge reversed the jury, saying that the evidence presented in the trial wasn't enough to promote the decision that they made.

ACRES U.S.A. That's rather shocking!

CALLICRATE. He also provided a set of jury instructions that would have made it very hard for the jury to decide in favor of the cattlemen. The judge seemed to be on Tyson's side all the way through, from the time he was assigned to the case to the final decision. We appealed it all the way to the Supreme Court. We presented our case to the Supreme Court for their consideration, and they'd told us there were two cases before them at the time, and they were only willing to hear one. There had not been a case filed on the Packers and Stockyards Act since it was initiated back in 1921, so we felt it was a very important case to get some clarification in

this law that was 80-some years old. The other case before them at the time was the Anna Nicole Smith family feud case.

ACRES U.S.A. Incredible.

CALLICRATE. They threw the cattlemen into the Tyson meat grinder and decided to hear the Anna Nicole Smith case. We were finished, and IBP/Tyson and the other big meat packers left that decision emboldened to do even more damage to the cash market and to producers across the country. Then of course it was so much easier for them to buy cattle cheaper than to sell meat higher to this highly-concentrated retail sector. We've really been in the fight for our lives for a

“We've got the lowest farm-gate income, as a percentage of what consumers spend for food, that we've ever had in the history of our country.”

long time. We get out of bed every morning just hoping to survive another day, and it's very hard. As a society, people don't recognize just how detrimental it is to have so much power in so few hands, and that power emanates from Wall Street. Our food system is now controlled by a handful of big food companies. They demand profit at all costs. They outsource. They look to foreign countries to buy cheaper, so they can leverage that price against U.S. producers. Before you know it, you've got all the money going to the top and damn little of it going to the bottom. We've got the lowest farm-gate income, as a percentage of what consumers spend for food, that we've ever had in the history of our country.

ACRES U.S.A. When we're talking about people who raise their cattle on pasture, are there alternative markets or are there ways to end-run the system that is monopolized by companies like Tyson, which owns IBP? What are the ways around this, since you were denied the legal relief that producers desperately needed?

CALLICRATE. The real key to surviving is to find a way around the system, the system being the big meat packers and processors, and big retailers and food service companies like Sysco and U.S. Foodservice. We've got to somehow develop a direct relationship, a direct marketing move to sell to consumers who really want to know where their food comes from. A 30,000-head Kansas feedlot or Texas Panhandle feedlot is going to make money off of your cattle, but the primary producer is very likely not to make anything. They end up going to a big meat packer, which is the only place they can sell to, and all the profit is gone. But as a pasture/grassfed operator you're producing the first ani-

mal right there on your property. I'm not suggesting that we have to go 100 percent grassfed. I realize that our growing season is 120 days in northwest Kansas, and that animal has got to be cared for in the off-season. In my operation we grass feed for about half the animal's life, and then we feed forage and some grain at the end of their lives. We come off with a year-round, high-quality beef product that can't be beat. By doing that, we avoid the industrial supply chain, which I think is deadly, absolutely deadly.

ACRES U.S.A. How do you go about it?

CALLICRATE. The key is that we sell as directly as possible to the consumer. In Colorado Springs we have a retail store that is part of our processing plant. People can come in and buy various kinds of meats. We also supply about 90 restaurants in the local community. They put our name on their menus so people can see where their food is coming from and support us in their meal-buying efforts. We almost totally avoid the industrial supply chain. There was a nice story in *The Livestock Brief* about Grassland Beef, John Wood's operation in Missouri, which got a great rap. In

INTERVIEW

Missouri they've got a good growing season, they've got good moisture, and they're producing a very nice quality product. John hasn't gone quite as far as we have. He's having his animals all custom processed, but by a smaller processor. The processor definitely needed the business, and it's a great relationship. There are some really good examples out there of people who have made it work, but honestly there are still too few of them, and any of these outfits that think they're going to produce grassfed cattle and sell it to Walmart and Whole Foods really need to reconsider their decision, I think.

ACRES U.S.A. Your professional life began in the late '70s? How has the situation changed since then as far as your options for what to do with your beef after you've finished raising the animal for processing and slaughter?

CALLICRATE. It really began in 1975, when I graduated from Colorado State University. Thinking back over that time, I had a lot of different meat packers to which I could send my finished animals. There were probably 20 meat packers that would gladly give me a bid on my cattle every week. Then, as we progressed into the '80s that number dropped significantly. IBP put most of the small packers near their operations out of business across the country. We saw a lot of agreements being made between big retailers and the biggest meat packers that would shut out their smaller competitors, denying them market access. They simply folded up and closed their doors. It was about 1988 when I realized how bad captive supplies were and how the big packers were using them to depress cash cattle prices. I started speaking out against them. As time passed we found some attorneys who would take our lawsuit, and it was filed in 1996. Back in the '70s the four-firm meat packer concentration was about 35 percent. Today the four-firm meat packer concentration is about 85 percent, but it's actually worse when you consider the power they have, and the fact that *any* competitor of a smaller size simply has absolutely no choice where to sell.

ACRES U.S.A. Only four?

CALLICRATE. Four-firm meat packer concentration. This is the key number, the number that antitrust has always used over the years when trying to determine the degree of market concentration. When it's 30-some percent, you're really not too worried. That means there are a lot of players — there's a fair amount of competition in the marketplace. But when that four-firm concentration reaches upwards of 80-some percent number, you've essentially lost all competition in the marketplace. Today

do to squeeze a few more pennies out of those cattle so that you can afford to stay in business and pass on cheap beef to that meat packer. That's what you're forced to do. And when you complain to the meat packer about being squeezed, the meat packer will tell you he has no choice, "because Walmart dictates the price and we have no choice but to pay these prices." In fact, it was just this winter that Smithfield, the biggest pork packer, came out and said they cannot compete with the power of Walmart.

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I can't get a decent price, a fair deal, out of any meat packer. They want to kill them on the rail, and they want to give you whatever they want to give you. You simply call them up and schedule the product, and they pay you whatever they want to pay you.

ACRES U.S.A. These supplies come from the concentrated animal feeding operations with the constant antibiotic support, the waste, all the things we associate with CAFOs?

CALLICRATE. Oh yeah. But think about it: you're a producer, you're a big cattle feeder, and you are at the mercy of a big meat packer, who is standing there just beating your brains in on the price. He is making sure he's buying from you as cheap as he possibly can. He really doesn't want you to go out of business, but he knows he can also go to South America and buy beef there, as well. He's going to pressure you to be the lowest-cost producer, and as the lowest-cost producer, what are you going to do as a manager? You're going to implant, you're going to use every steroid, every hormone, every antibiotic, and every feed additive like Zilmax and Bovatec. You're going to do everything you can possibly

ACRES U.S.A. It sounds like it's not all fun and games for the big meat packers, either.

CALLICRATE. When I approached John Tyson in 2002 in San Antonio, I introduced myself and said, "I'm one of the claimants in the lawsuit against IBP." Tyson had not heard about that lawsuit yet, and he was announcing that day that Tyson Foods was buying IBP. He was a bit shocked and said, "You know, you're suing the wrong people. Walmart's the problem. They dictate the price to us, and we have no choice but to pay you less." We've concentrated the industry way too far, we've destroyed market access, and we've destroyed local and regional food systems. Now with Tom Vilsack and Kathleen Merrigan, USDA has decided that we want to rebuild these food systems, but I don't think these people have a clue how much power is going to be massed against them in this effort by the big money of agribusiness. It is going to be unbelievable. Compared to the food system, the health care system is going to look trite.

ACRES U.S.A. You refer to killing animals "on-the-rail," what does that mean to producers?

CALLICRATE. That means the animal has been killed and processed and the carcass is hanging on the rail as a half. There's been nothing done to that carcass, it's just simply hanging there as two halves on a rail. So now the meat packer has avoided the risk of buying a live animal which might die on the way to the packing plant, or maybe it shrinks too much or maybe it's not of the quality that they really wanted. They've eliminated a bunch of risk by buying on the rail and transferring that risk to the producer.

ACRES U.S.A. How does that type of transaction connect with the high rate of injury to slaughterhouse workers and the high number of *E. coli* incidents?

CALLICRATE. Remember what John Tyson said. Tyson and Smithfield have both said that Walmart has the power. Walmart dictates price to the big packer, and the big packer has no choice but to do everything he can do. Just like the feedlot has no choice but to use every additive and hormone they can possibly think of, the meat packer is forced to run those chains faster to get more throughput on his capital investment, the meat packing plant, and then when you crank up that chain speed to gain those almost 400 head per hour, you've got people who are being injured, who can't keep up. Some plants have enormous turnover, up to 300 percent worker turnover. There are more established plants that have less worker turnover, but the bottom line is a very large turnover rate in the meat packing business.

ACRES U.S.A. Seems inevitable at those high speeds . . .

CALLICRATE. Think about if the chain were moving that fast and you're trying to train new workers. You're trying to teach people their jobs, people who don't necessarily speak English. The United Food and Commercial Workers Union will tell you in the typical big meat-packing plant you have to speak 18 different languages in order to communicate. We have people who are refugees from war, natural disaster and socioeconomic hardship working in these meat packing plants — workers who are from a dif-

ferent culture, who don't speak the language, yet we're cranking the chain up to nearly 400 head per hour. Of course there's going to be ingested material on the meat. Of course there's going to be a lower quality of finished product coming out of these plants, and of course there's going to be a great increase in the number of recalls. One of the things that facilitated all this was adopting the HACCP system, where meat packers are self-inspecting. Meat inspectors are now looking at paperwork rather than meat. It's really given the big meat packer a green light to do almost anything he wants.

ACRES U.S.A. What does "HACCP" mean?

CALLICRATE. Hazard Analysis and Critical Control Point. It was based on a NASA program when we sent the first astronauts into space. We wanted to make sure they didn't have food up there that could make them sick. The beef industry decided to adopt the HACCP program, supposedly to make meat safer. The opposite happened when the inspectors were removed from the lines and put in an office to sort through the paperwork rather than inspect the meat. HACCP has been a complete failure for years — we're just now starting to recognize it, and it's hoped they're going to make some changes so we can improve the safety of our meat. But it's going to have to include more inspectors on the floor of those plants really watching the product and making sure the chains aren't moving faster than the employees can handle.

ACRES U.S.A. Accounts of the working conditions in those plants are horrifying. Those workers are chewed up, and that's no metaphor. They lose fingers and hands and arms.

CALLICRATE. At the end of the day we don't care what makes up this volume and tonnage of meat that's spat out of these huge packing plants. It's really hard to accept the fact that there is so little regard for human life and human well-being in this economy today. When you read the book *Fast Food Nation* or watch the film, you'll be horrified that

this is going on in America today. It takes us back to 1906 when Upton Sinclair wrote *The Jungle* — and when I say to people that we have made a full return to that era, they are in disbelief that this could be happening today. In fact, we have food safety conditions today even worse than those in *The Jungle*, we've got producers being exploited worse, and we've got consumers being exploited worse, but if you try to warn them, they simply go into a total state of denial. When I watched *Fast Food Nation* and saw the rats scurrying around on top of that packing plant, I called up Eric Schlosser. I had helped him out with the book, worked with him for some time. He told me exactly where those rats were in reality, which food packing plant it was. There was nothing in that film that stretched the truth one bit. That is totally the way it is.

ACRES U.S.A. Did you have anything to do with that movie?

CALLICRATE. Yes. I was involved with the script for the film.

ACRES U.S.A. Has this been a process of continuous deregulation? How is it that we're citing an exposé that's over a century old to describe an industry that was subjected to a wave of reform measures around the time of the World War I?

CALLICRATE. In fact we did put reform measures in. It was a wonderful time in America when people had an opportunity to get a fair price and consumers had the opportunity to get something nutritious. But ever since, there's been constant pressure to deregulate, to go back to the way that it was. I think about the Reagan years, with Ronald Reagan deregulating the savings and loans, and look what happened. And I remember seeing the video of George Bush Sr. as Vice President under Reagan being given a tour of the Monsanto facility, looking at the GMOs. At the time they were trying to get approval for that technology, and George Bush said, "Don't worry, we're in the deregulation business." Big business and its lobbying power in Washington have worked nonstop to deregulate and take us right back to *The Jungle*, which is where we are today. I don't care if

you look at the financial markets, the railroads, the meat packers — we have made a full return to *The Jungle*, and it's even worse because it's on a global basis. I think when we look back in 100 years we will regard corporate control and globalization as the greatest follies ever in human history.

ACRES U.S.A. Going by your tone, you're not an admirer of Walmart?

CALLICRATE. Walmart is the biggest retailer in America, and I've said plenty of times there is no greater threat to our social and economic well-being.

“Our food system has already failed and the symptoms are the recalls, the food safety problems, and the inability of people to even buy food in the ‘food deserts,’ in the inner cities where there’s no access to really good food.”

Walmart's business model is so destructive, it's so extractive, and it's so exploitive — they never let up. They take it all. They want everything. And we give it to them with our shopper mentality — always shopping and looking for the cheapest. We don't connect the fact that our shopping at Walmart has led to the outsourcing of our jobs, the outsourcing of our manufacturing plants, the outsourcing of our farms, to foreign countries. We don't connect those dots because we are so focused on being aggressive shoppers. We have been fooled, and we have simply got to recognize the dangers of Walmart and the dangers of big fast food. It's like Eric Schlosser said in his book. McDonalds used to buy from 174 suppliers, but at the time Schlosser was writing his book they were buying from four — the big four meat packers.

ACRES U.S.A. How big a factor is the competition from South America?

CALLICRATE. Earlier in our conversation I talked about all these wonderful

anecdotal stories about how the world is changing, and how demand is growing for food people know about — where it's from and how it's produced. The fact is that the infrastructure is not there to deliver that food to the consumer, and the farmer certainly isn't in a position to put in meat packing plants and processing facilities. We need to be taking care of ourselves instead of putting all this mileage on our food. Regarding grassfed beef, which I think is wonderful, check out who the competitor is — Uruguay. The big meat processors, packers and global multinational corporations are going to Uruguay to buy beef from old

cows and bulls and whatever and they can be assured that it's going to be antibiotic and hormone-free. They can be assured that it's going to be 100 percent grassfed because they don't have feedlots, and in fact the USDA approved it as 100 percent grassfed *organic!* This is some of the cheapest meat in the world. When I did a study for a talk at a grassfed conference, the Uruguay product was one-third the price of U.S. cattle.

ACRES U.S.A. So the American producer suffers.

CALLICRATE. I'm not saying either producer is making any money. The producers in Uruguay are living in shacks with a sheet for a door. Yet the multinational corporations leverage these poor people in Uruguay against the future in the United States, and they've got Uruguay beef in our markets up here that they call 100 percent grassfed organic. Only since we started implementing Country of Origin Labeling have people been able to tell where this stuff comes from. Of course, the big meat packers worked

over the USDA during rulemaking, so now they can mark their meat “multi-country.” What we have now is a piece of meat that can be from Mexico, Canada, the United States, New Zealand and Australia — one piece of meat. They've completely gutted the law, but at least if it came from Uruguay it's going to be on the package.

ACRES U.S.A. What about the biggest producer on the continent, Brazil?

CALLICRATE. Right now they are unable to export to the United States because of Foot-and-Mouth. They've got all kinds of efforts going on to loosen that restriction. We're talking a lot of money to be made selling the cheapest meat in the world to the highest consuming market in the United States, and if they can ever get Brazil able to export to the United States, our producers are finished. JBS, which bought Swift and subsequently Pilgrim's Pride, is a Brazilian company, and it's in their interests to open this market up to that cheap meat from Brazil. JBS is the biggest meat-packing company on the entire planet, and the second-largest packer today in the United States.

ACRES U.S.A. Do you think the beef industrial system is due for a crisis?

CALLICRATE. We've heard about companies that are too big to fail as we look at Wall Street and the banking crisis we've just been through. We have the same exact problem in the food system — far worse, actually. We have a lot of independent bankers across America. We don't have a lot of independent producers or processors of our food. We really are dependent upon four companies to feed us, and strategically, from a national security standpoint, it is insane that we could have let this happen. I think back to my criticism of former Secretary of Agriculture Dan Glickman. I asked him one day, “Why in the world don't you enforce the Packers and Stockyards Act?” He said, “Well, you know Mike, it's different now. We're in a global market and we need big meat packers that can do business globally.” That's the foolishness that got us where we are today. Our food system has already failed and the

symptoms are the recalls, the food safety problems, and the inability of people to even buy food in the “food deserts,” in the inner cities where there’s no access to really good food.

ACRES U.S.A. If a person walks into Whole Foods and buys some nice certified beef, it’s likely a product of Uruguay?

CALLICRATE. Not necessarily. Whole Foods has been getting a lot of their meat out of the Northwest from a company called Country Natural, and that’s another story in itself. Probably 20 years ago, the producers up in Oregon decided that if they could just get \$800 for yearling steer, they’d be happy. They made a deal with Whole Foods basically to sell them an 800-pound steer on the ranch at \$800. For years the market was a lot higher than that, giving Whole Foods a great deal on this meat. Whole Foods built a lot of stores. They made a lot of money with meat, but the producers didn’t do very well as their costs have increased while their income hasn’t. It’s been a sore spot for a lot of folks who are hooked into that Whole Foods agreement. I don’t know what the status of it is today, but I do know that meat travels a lot of miles. There was a Colorado producer who wanted to sell to Whole Foods, and they suggested that he join the Country Natural group. By the time he shipped them to the feedlot in Oregon, had them processed in Washington, and the meat was shipped back to Colorado, his cattle would have traveled over 3,000 miles.

ACRES U.S.A. How do you regard Whole Foods in general?

CALLICRATE. I divide the food system into two parts — we’ve got the industrial food system, which is all the big outfits, the big national chains, the big retailers and food service companies. On the other hand you’ve got the family farm — good food, the local, regional approach. You’ve clearly got to put Whole Foods into the industrial model, but they use just enough of the local players, and talk about how they source locally, to fulfill a marketing objective. You go into the store in Colorado Springs and buy garlic from a wonderful farmer near Pueblo,

Colorado, presented in a little basket with his name on it, right next to the Chinese garlic that takes up the entire display counter.

ACRES U.S.A. You’re describing a cynicism that has crept into their way of business that wasn’t there at the beginning.

CALLICRATE. And I believe it’s the demand of Wall Street that’s forced that to happen. I think Wall Street has done so much damage, and I don’t invest money with Wall Street.

ACRES U.S.A. Does the market draw a line between CAFO and non-CAFO beef?

CALLICRATE. Nobody is really able to differentiate that in the marketplace, whether it’s CAFO or grassfed or small family farm or whatever. Temple Grandin and I were talking about Michael Pollan’s book *The Omnivore’s Dilemma*. I told Michael that in the book he made corn a bigger evil than I really think it is. In fact, corn has been around for 10,000 years, and we’ve been feeding it to livestock for that long. It’s the *amount* of corn that these big companies have used that has forced the use of all these antibiotics and rumen buffers and so forth. This is what’s really bad. When you go back 50 years and you look at a farmer, he’s growing everything on his farm that’s fed to his livestock, and the manure is going back on the land, and there’s no antibiotics or pesticides. That’s a pretty darn good method of producing food.

ACRES U.S.A. Then a total anti-corn bias would be throwing the baby out with the bathwater?

CALLICRATE. It would. Temple Grandin said, “You know, Mike, cattle love corn!” She’s right. They do love corn. It’s like I wrote in response to a customer’s question this week. He asked me if we fed corn, and I said corn is to cattle like whiskey is to man. You drink too much, it’ll kill you.

ACRES U.S.A. Children love candy.

CALLICRATE. You bet they do. And then Temple, who never mentions the word, turned to me and said “Mike, you know you have a CAFO.” So I do! But my gosh, you know it’s the highest quality of life that an animal could ever hope for and we feed what we produce around our farm. All that manure goes right back on the land and we’ve got a year-round supply of high-quality meat that comes from this facility, plus we’re able to do it at a value that we can actually try to make a living at. This is the other problem with a lot of these niche kind of markets — a farmer cannot make enough money to make a living. We’ve seen lot of these farms require a couple of off-farm jobs to keep them going, and to me that’s not sustainable. We’ve undervalued food so much. I remember sitting with the backseaters hearing Bob Peterson, the CEO and President of IBP, back in ’96 at a beef conference in South Dakota. He was up there in such an arrogant way telling everybody they just had to figure out how to be the low-cost producer and carrying on about how this was a competitive market. I thought, yeah Bob, you’re going to pay us so little for our cattle that all of us will have to turn our ranches into bed-and-breakfasts so you can live in a big house in Dakota Dunes. It’s a very bad thing when we invite all these people into food production and then tell them they have to keep their job in town, because this is just going to be a hobby. We’ve driven kids right off the farm. Their parents aren’t even involved in family activities anymore, since they’re so damned busy working that farm and working that job in town and trying to get to the farmers market on a Saturday morning.

ACRES U.S.A. Would higher tariffs on overseas beef help equalize this situation? And would you be all right with seeing the overall price of beef rise in this country, meaning Americans couldn’t eat as much beef as they do now?

CALLICRATE. What would be a good alternative to globalization? Let’s go back to community. If you’re going to have community, you have to protect that community. We have to have those anti-trust laws. We have to have fair trade,

not free trade. I absolutely believe that we have to go back to some tariffs. When we look at the way others, particularly the Asian countries, have abused us in the manipulation of their currency, on their value-added and border-adjustable taxes — also known as tariffs — why have we not reciprocated? We've lost all kinds of wealth-creating industries to these foreign countries that absolutely have an agenda, and we are sitting here with absolutely no protection and no agenda. Yet we continue to espouse this free trade mantra.

ACRES U.S.A. Has the current administration given you a fair hearing?

CALLICRATE. They just finished up an antitrust hearing at Ankeny, Iowa, and I really do think we have an open ear right now with this administration to work on antitrust — let's look at Monsanto, let's look at Tyson, let's look at JBS. Let's really try to get into this food system and find these barriers to entry and figure out what's keeping us from localizing and regionalizing our food system.

ACRES U.S.A. What was the hearing at Ankeny about?

ACRES^{USA}
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CALLICRATE. The Department of Justice has partnered with the USDA's Packers and Stockyards division, and they are holding a series of hearings. In Ankeny in March, Eric Holder and Tom Vilsack were present as hosts of this

"It's a very bad thing when we invite all these people into food production and then tell them they have to keep their job in town, because this is just going to be a hobby. We've driven kids right off the farm."

meeting, and we got to hear from people like Jim Foster, a pork producer from Missouri, and from Eric Nelson, a cattle feeder, corn producer and small family farmer in Iowa who sees the world the way that I do.

ACRES U.S.A. It sounds like there's at least a ray of hope here.

CALLICRATE. I think there is a ray of hope, but the only way we're going to win is if people will stop the self-indulgent habit of buying the cheapest stuff they can find, no matter what. If we don't stop acting so contrary to our own interests, we simply have no hope here. We have to take a bigger view. We have to care about our grandchildren. We have to stop being such ravenous consumers and start realizing the damage being done to the earth and to our communities. We have to start living more within what the world can provide and our communities can provide, and we really need to take a different look at life.

ACRES U.S.A. What would be your top priority in terms of policy?

CALLICRATE. I'd love to see us stop subsidizing corn. Why in the world do we do this? We get to give Tyson some cheap stuff for their chickens and Smithfield cheap corn for their hogs, but in the end we just give it all to Walmart anyway, so what's the point? Let's stop subsidizing all this corn. We eliminated the trans fats, pretty much, because we

know how trans fats are deadly. But let's also recognize that high-fructose corn syrup is deadly. Let's put a sugar tax on it. You really have to apply taxes to things that you don't want, and you have to apply incentives to things that you do

want. Make it easy to do the right thing and harder to do the wrong thing.

ACRES U.S.A. Regarding your own business, what kind of cattle do you raise?

CALLICRATE. We start with the right genetics — Angus/Wagyu crosses. Wagyu is where Kobe beef comes from in Japan. It's highly marbled, high in CLA, and high in essential fatty acids. We believe that you have to provide adequate nutrition to livestock on a year-round basis. Grassfed is nice, but it's also seasonal, and if you're harvesting your animals at the end of the grass season when they're at their optimum quality, then what is the processing plant going to do the rest of the year? This is a big question, and what I want to push right now is a mobile unit. I have one being manufactured right now for St. Francis, Kansas, but it's not just for cattle, it's a multi-species facility. We're going to be able to do hogs and lambs and goats and cattle and chickens — everything — in this mobile unit. We are going to work very hard to serve that area around St. Francis with this facility, which can be moved if necessary. It's likely not going to be moved very often, but it will be located at our cattle operation at St. Francis, and then people in the community can bring livestock up to have them processed.

ACRES U.S.A. How does it work?

CALLICRATE. In the mobile unit is an 8-by-53-foot semi-trailer, and basically a live animal goes in one end and the carcass comes out the other. If you want to see one, it's at TriVan's website, they're out of Washington state. They are building a unit up there and are probably the most experienced company around in terms of this technology. The way I see it working is that you could scatter these mobile units across the country, and you can then transport the carcasses into places like Ranch Foods Direct, my company, where they can be cut up and marketed to people. Think about how much is saved if I can slaughter my animals in St. Francis, Kansas. I'm leaving behind 35 percent of the weight that's going into the compost and back onto the land, and I'm getting good, efficient distribution because I'm taking a carcass up where it's going to be processed.

Retail cuts and restaurant cuts are made right there at the processing plant. I may have two to four of these mobile units feeding into one processing plant. If you've got one in Denver, you've got one in Ft. Collins, one in Colorado Springs, you've got them scattered out among these urban areas. Combine with that urban gardens, combine with that all of the farmers market stuff that we love, and combine with that the ability to pick up and distribute from small farmers along the Arkansas Valley in Colorado and into areas like Pueblo, Colorado Springs and Denver.

ACRES U.S.A. Since you grow your own corn to feed your cattle for part of the growing season, you're cutting the genetically modified food out of the system?

CALLICRATE. Yes! To me that is vital, that is very, *very* important. I put Monsanto in the same category as Walmart.

ACRES U.S.A. Do you work as a consultant?

CALLICRATE. I don't charge. I'm happy to help any way that I can. I'm just trying to do what I can to make a difference here, but I can absolutely help anyone who needs it. If it requires some travel, maybe I'll get some expenses, but I'm not in this to make money.

For more information on Mike Callicrate and his work, visit www.nobull.net.