



National Bison Association

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ASSISTANCE RECOMMENDATIONS FROM U.S. BISON SECTOR

Compiled by the National Bison Association, May 6, 2020

The U.S. bison business is experiencing many of the same impacts as those that are rippling through the mainstream livestock sector, but is also grappling with other unique economic uncertainties because of its uncommon characteristics. An analysis compiled by the National Bison Association in April 2020 documented a series of economic shocks being felt at all levels of the bison business. Those shocks include:

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- Bison processing plants are experiencing some outbreaks of COVID-19 among their workforce, and higher-than normal absenteeism because of employees' fears of contracting the virus.
- Closure of restaurants and foodservice outlets have created significant downward pressure on wholesale bison prices. The foodservice sector provides the primary outlet for higher-value cuts of bison meat like ribeyes, strips and tenderloins. These three cuts, comprising about 9% of the carcass, have traditionally accounted for 25% of the carcass value. Demand for bison meat has increased significantly within the retail sector, but that demand is almost exclusively limited to ground bison.
- The shift in demand from steaks to ground bison has resulted in a 10 percent reduction in the bison carcass price in the past three weeks.
- Bison finishers are now forced to hold their animals for an extended period of time.
- Those bison finishers have relied on dried distillers grains as a primary feed source for their rations. The closure of ethanol refineries across rural America has eliminated much of that supply, and has increased the cost for the remaining distillers grains by up to 30 percent.
- Prices now being offered for bison calves is reflecting the market uncertainty being felt throughout the industry.
- Farm-direct marketers—who comprise a significant segment of the bison produces nationwide—are reeling from inability of farmers' markets to operate normally, the closure of their foodservice customers, and the loss of agritourism opportunities for the balance of 2020.

In April, North Dakota Agriculture Commissioner Doug Goehring, brought together the National Bison Association, the North Dakota Bison Association, and the InterTribal Buffalo Council to develop a package of specific proposals to assist bison producers in weathering the COVID-19 storm the associations unanimous urge that the following levels of assistance be included in the USDA's livestock relief program:

Category 1 : Cows/Bulls- \$210/hd.

Reflects current bison market trends for bison cow/calf operations. allows for producers to proactively recover and plan for a market disruption in the fall calf selling market while mitigating the feed costs.

Category 2: Feeder Stock 400-800lbs — Weighted Multiplier 1.2- \$252/hd.

Based upon the lower carcass price paid by processors, and the anticipated additional expenses incurred because of the increased cost of distillers grains of up to 30%, and lower daily gains as finishers reformulate their feed regimens.

Category 3: Finished Bison 800+lbs — Weighted Multiplier 1.4 — \$294.00/hd.

This will offset the real price disruption in the commercial market as carcass values decrease due to food service closures and retail demand changing to grind product.