



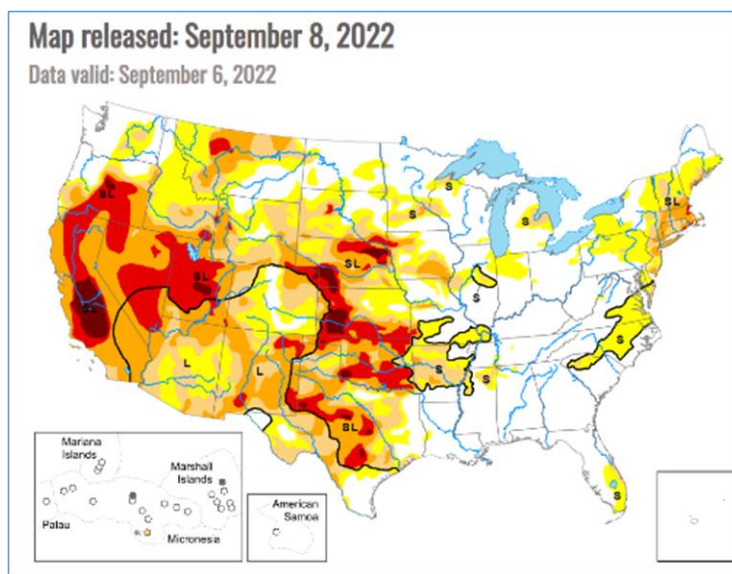
## National Bison Association

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### *Bison Issues Overview, September 2022*

## An Overview of Today's Bison Business

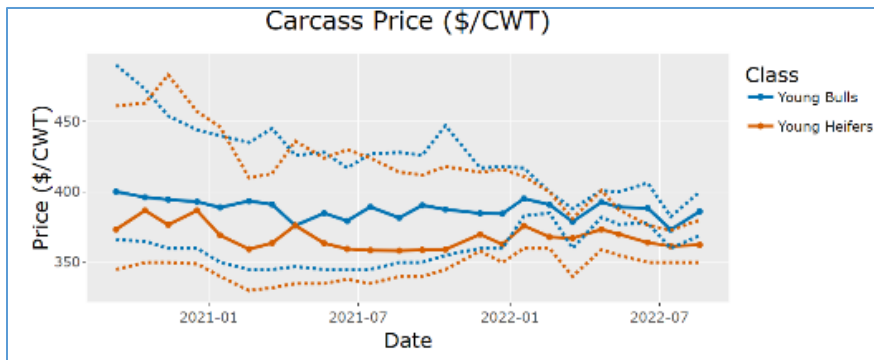
Today's bison business continues to grow despite a three-year cycle of a pandemic, drought, and economic uncertainty, challenging bison producers, processors, and marketers across the United States.



While the historic drought that impacted the northern plains states last year has somewhat subsided, plenty of areas in the north still lack adequate moisture and continue to result in partial and complete herd dispersals. The drought is now severely impacting bison producers in the southern plains states with similar detrimental effects. These two regions represent the largest bison-growing area in the entire world. Liquidating bison is far more challenging than other livestock, as bison auctions are few and far between, and producers must deal with the undomesticated nature of the animal in terms of breeding and weaning periods.

As a direct result of the drought, feed prices are at near-record highs throughout bison-growing regions across the United States. These high feed prices are impacting the bottom lines of bison stock growers and finishers. Further, inflation and fuel prices continue to confound bison farmers and ranchers, significantly affecting bison consumers. The cost of bison meat has not changed in the last three years as the product already fetches a premium as a niche, high-value, uniquely American protein. While most other proteins in today's market have risen in price to account for the higher inputs, the stagnant price of bison meat makes it nearly impossible for our marketers to recoup those losses like our competitors.

Before 2020, the bison business had enjoyed over a decade of consistent profitability for everyone in the bison supply chain. However, the past three years have resulted in losses for many. The loss of fine dining establishments, and steak houses in particular, and the associated loss of business travel/dining due to the COVID pandemic has taken a toll on bison's high-value cut sales, forcing marketers to shift to a more retail-focused marketplace and away from foodservice.



Based on the United States Department of Agriculture (USDA) Agricultural Marketing Service (AMS) price reports in the last two years, the average carcass price paid for slaughter-ready bison dropped by 5% for bulls and 3% for heifers. This trend suggests that while the

bison industry has stabilized since COVID, it also results in lower-valued animals.

There are encouraging signs moving forward.

Thanks to outreach efforts by the National Bison Association (NBA) and its members and evolving consumer trends, the American public continues to discover bison as a highly nutritious and regenerative protein, thus adding it to their diets. Bison processing is at an all-time high, with the end product going straight to market based on consumer demand, not filling freezers. The NBA is further encouraged by consumers' growing appreciation for humanely and sustainably raised meat products produced under "climate-smart" management protocols, which is a perfect fit for the bison's natural, undomesticated grazing behavior.

Over the past decade, USDA has played a critical role in supporting the growth of the bison business. Resources provided during the past decade have strengthened the bison industry's financial viability in many ways:

- USDA's commodity purchase programs, including the Food Distribution Program on Indian Reservations (FDPIR) and the Section 32 surplus removal program, continue to help stabilize the bison marketplace.
- APHIS is currently facilitating its second National Animal Health Monitoring System (NAHMS) study on bison health and management, providing crucial data to the bison industry to ensure herd health.
- Farm Service Agency (FSA) implemented a Livestock Indemnity Program (LIP) in 2022 for bison losses due to *Mycoplasma bovis*, an emerging and devastating disease particularly impactful to bison.
- Agricultural Research Service (ARS) continues to develop necessary treatments and vaccines for bison-specific diseases, including *Mycoplasma bovis* and Malignant Catarrhal Fever.
- The monthly price report compiled by the Livestock and Grain Market Reporting Service and statistics captured by the National Agricultural Statistics Service supply essential data that helps us monitor market prices, processing, and herd development.
- The Foreign Agriculture Service (FAS) and the United States Trade Representative (USTR) are working to open new markets for bison meat exports and to address prejudicial tariffs on bison's access to the European Union (EU).

The American bison industry thanks the USDA for their continued support for our relatively minute agriculture sector and appreciates the help and support they have provided as we restore our national mammal, the bison, to its native landscape.