

Washington Pork Producers

Newsletter

Summer 2020

SAVE THE DATE

WPP SUMMER MEETING

July 10, 2020
Colfax, Washington

**Summer Meeting starts at 1PM in Room #A,
Whitman County Public Service Building**
310 North Main St.
Colfax, WA 99111

*Topics will include: the budget,
delegate selection for the 2021 Pork Forum,
Article of Incorporation proposed changes, and
Swine Information Day 2021*

**All Washington Pork Producers members
are welcome and encouraged to attend.**

Meeting will also be available to attend via ZOOM.
Please contact Tom Cocking at
tcocking@msn.com

PUBLIC NOTICE BY WASHINGTON STATE PORK PRODUCERS ASSOCIATION AND THE NATIONAL PORK BOARD

The election of pork producer delegate candidates for the 2021 National Pork Producers (Pork Act) Delegate Body will take place at 1:00 p.m., Friday, July 10, 2020 in conjunction with a Board of Directors meeting of Washington State Pork Producer Association, in Room A of the Whitman County Public Service Building, at 310 North Main Street, Colfax, Washington, 99111. All Washington State pork producers are invited to attend.

Any producer, age 18 or older, who is a resident of the state and has paid all assessments due may be considered as a delegate candidate and/or participate in the election. All eligible producers are encouraged to bring with them a sales receipt proving that hogs were sold in their name and the checkoff deducted. For more information contact:

**Washington State Pork Producers
Association**
2001 VanTine Road
Garfield, Washington
Phone 509-397-2694.

Your WPP Board Members

Tom Cocking, President	509-595-8415
Paul Klingeman, Jr., V. Pres.	509-760-7170
Jodi Stebbins, Secretary	425-426-7416
Jaime Sackmann, Treasurer	509-989-5970
Don Van Tine, State Contact	509-397-2694

An Influx of Pigs From Out-of-State Prompts Reminder of Washington Import Requirements

The Washington State Department of Agriculture (WSDA) has noted an increase in out-of-state pigs being brought here and sold, with some sellers failing to follow important animal importation laws meant to protect our state's livestock industry and public health.

"We know of truckloads of pigs from several Midwestern states that have begun to show up for sale on Craigslist and other venues," said Dr. Amber Itle, assistant state veterinarian. "In some of these instances, the dealers have not followed our animal importation laws, and this raises concerns about disease transmission and animal welfare."

Closures and slowed production at some Midwestern pork processing plants and other disruptions to the food supply chain may have prompted increased worries about food access for some members of the public. As a result, WSDA has seen an increase in the movement of pigs into Washington State.

Many are being sold to would-be or inexperienced backyard farmers who have an interest in raising swine for their own consumption. Itle estimates more than 4,000 imported pigs have been sold and dispersed across the state since late March.

WSDA has serious concerns about this new population of swine entering Washington.

"Most commercial swine are genetically selected for feed efficiency and growth and are adapted to specific diets to meet their nutritional needs," Itle said. "Trying to pasture raise these breeds presents management challenges. People may view this as an inexpensive source of do-it-yourself, pasture-raised pork but it can have poor outcomes and animal welfare implications if not managed well."

These pigs may also be carrying diseases not currently in our state. Washington has a relatively small swine industry—estimated at roughly 17,000 swine statewide—and there have been very few incidences of major swine diseases here.

Once diseases become established on a farm or in a state, eradication is very difficult.

To bring livestock into Washington State, animals must have a Certificate of Veterinary Inspection, an entry permit, and individual official identification. Be sure if you have purchased swine that you are working with a reputable dealer and that requirements have been met. Follow up with your veterinarian to establish what vaccinations, nutritional needs and husbandry practices to consider.

Visit agr.wa.gov to view [swine import requirements](#) or visit www.interstatelivestock.com for information about transporting animals between states. You can also contact WSDA's Animal Health Program at health@agr.wa.gov or (360) 902-1878. *by WSDA, News Release 05.18.2020*



NEWSLETTER EDITOR: Sarah M. Smith
WSU Animal Science Area Extension Educator



Washington
State Department of
Agriculture

ANIMAL SERVICES DIVISION
ANIMAL HEALTH PROGRAM

What you should know about out-of-state pigs in Washington State

Closures and other disruptions related to COVID-19 have slowed production at many Midwestern pork processing plants and led to an uptick in Washington State pig importation.

Due to the decrease in processing capacity, individuals motivated by financial gain, concern about waste, or animal welfare have been trucking loads of young "weaner" pigs as well as finished hogs into Northwest states.

Problems with this situation:

1. These pigs are coming from areas where serious swine diseases such as Porcine Epidemic Diarrhea (PEDV) and Porcine Reproductive and Respiratory Syndrome (PRRS) are common. These diseases are not common in Washington and we do not want them to become established here.
2. Inadequate record keeping and the unknown final destination of individual pigs complicates traceback in the event of a disease outbreak.
3. Pigs are not ruminants. In particular, these imported pigs are poor candidates for pasture raising or finishing; they are a composite breed developed for rapid weight gain in controlled indoor environments on finely tuned diets. They cannot survive on a fiber-based diet.
4. Many of these pigs are destined for novice "backyard" owners (via craigslist, etc.) with little knowledge of pig husbandry and lack of adequate fencing. In a worst-case scenario, this could result in a feral pig population establishing a stronghold in our state.
5. WSDA has received reports some of these imported pigs are sick on arrival and some have died.
6. All pigs coming into Washington must have a Certificate of Veterinary Inspection covering every animal being transported; a permit number; and individual identification for each pig. More information is available on the [WSDA web site](#).
7. Washington State has little or no surplus slaughter capacity for an influx of pigs. This could lead to finished animals being held well beyond slaughter weight and cause animal welfare and carcass-quality concerns.
8. Pigs must be processed and slaughtered at a USDA inspected facility if the pork is being sold and distributed to the public. Pigs used for personal use only can be harvested by an experienced custom slaughter facility in accordance with food safety rules.
9. In the absence of appropriate slaughter and processing options, novice owners could turn to killing and processing their animals at home. This scenario carries serious animal welfare and food safety risks.
10. More information is available at the [WSDA news release site](#).



Detailed information on pork production is available at the [Pork Information Gateway](#). If you have questions or concerns about importing swine into WA, please contact WSDA at ahhealth@agr.wa.gov or (360) 902-1878 or (800) 942-1035 after hours.

AGR PUB 402-852 (N/5/20)

Do you need this publication in an alternate format? Contact WSDA at (360) 902-1976 or TTY Relay (800) 833-6388.

Make Farm Security a Top Priority

COVID-19 has increased public interest in farms. Farms should remain vigilant with farm security, using these SMART tips:

- Secure – maintain basic security with locks, alarms and cameras
- Monitor – watch for suspicious activity
- Alert – build rapport with law enforcement and report concerns
- Research – know your rights as a property owner
- Take action – make farm security a top priority

The National Pork Board has developed a factsheet titled, Farm S.M.A.R.T. tips for producers to use as a resource when making farm security a top priority. It at www.pork.org under the Covid-19 section.

Farm S.M.A.R.T. Tips
Secure – Monitor – Alert – Research – Take Action

As the U.S. pork industry navigates the COVID-19 pandemic, the National Pork Board is providing the following Farm S.M.A.R.T. tips to help you secure your farm sites. These guidelines are a collection of best practices to ensure you, your pigs and your facilities remain protected from issues that may arise during this time.

Farm S.M.A.R.T. Tips

- SECURE
- MONITOR
- ALERT
- RESEARCH
- TAKE ACTION

PORK Checkoff **WCA**

USDA Announces Details of Direct Assistance to Farmers Through the Coronavirus Food Assistance Program (CFAP)

Farmers and Ranchers to Receive Direct Support for Losses Related to COVID-19

U.S. Secretary of Agriculture Sonny Perdue today announced details of the Coronavirus Food Assistance Program (CFAP), which will provide up to \$16 billion in direct payments to deliver relief to America’s farmers and ranchers impacted by the coronavirus pandemic. In addition to this direct support to farmers and ranchers, USDA’s [Farmers to Families Food Box](#) program is partnering with regional and local distributors, whose workforces have been significantly impacted by the closure of many restaurants, hotels, and other food service entities, to purchase \$3 billion in fresh produce, dairy, and meat and deliver boxes to Americans in need.

“America’s farming community is facing an unprecedented situation as our nation tackles the coronavirus. President Trump has authorized USDA to ensure our patriotic farmers, ranchers, and producers are supported and we are moving quickly to open applications to get payments out the door and into the pockets of farmers,” said Secretary Perdue. “These payments will help keep farmers afloat while market demand returns as our nation reopens and recovers. America’s farmers are resilient and will get through this challenge just like they always do with faith, hard work, and determination.”

Beginning May 26, the U.S. Department of Agriculture (USDA), through the Farm Service Agency (FSA), will be accepting applications from agricultural producers who have suffered losses.

Background:

CFAP provides vital financial assistance to producers of agricultural commodities who have suffered a five-percent-or-greater price decline due to COVID-19 and face additional significant marketing costs as a result of lower demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities.

Farmers and ranchers will receive direct support, drawn from two possible funding sources. The first source of funding is \$9.5 billion in appropriated funding provided in the Coronavirus Aid, Relief, and Economic Stability (CARES) Act to compensate farmers for losses due to price declines that occurred between mid-January 2020, and mid-April 2020 and provides support for specialty crops for product that had been shipped from the farm between the same time period but subsequently spoiled due to loss of marketing channels. The second funding source uses the Commodity Credit Corporation Charter Act to compensate producers for \$6.5 billion in losses due to on-going market disruptions.

Livestock

Livestock eligible for CFAP include cattle, lambs, yearlings and hogs. The total payment will be calculated using the sum of the producer’s number of livestock sold

between January 15 and April 15, 2020, multiplied by the payment rates per head, and the highest inventory number of livestock between April 16 and May 14, 2020, multiplied by the payment rate per head.

Eligibility

There is a payment limitation of \$250,000 per person or entity for all commodities combined. Applicants who are corporations, limited liability companies or limited partnerships may qualify for additional payment limits where members actively provide personal labor or personal management for the farming operation. Producers will also have to certify they meet the Adjusted Gross Income limitation of \$900,000 unless at least 75 percent or more of their income is derived from farming, ranching or forestry-related activities. Producers must also be in compliance with Highly Erodible Land and Wetland Conservation provisions.

Applying for Assistance

Producers can apply for assistance beginning on May 26, 2020. Additional information and application forms can be found at [farmers.gov/cfap](#). Producers of all eligible commodities will apply through their local FSA office. Documentation to support the producer’s application and certification may be requested. FSA has streamlined the signup process to not require an acreage report at the time of application and a USDA farm number may not be immediately needed. Applications will be accepted through August 28, 2020.

Payment Structure

To ensure the availability of funding throughout the application period, producers will receive 80 percent of their maximum total payment upon approval of the application. The remaining portion of the payment, not to exceed the payment limit, will be paid at a later date as funds remain available.

USDA Service Centers are open for business by phone appointment only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information can be found at [farmers.gov/coronavirus](#).

USDA News Release, 05.19.2020

LIVESTOCK	ELIGIBLE LIVESTOCK	UNIT OF MEASURE	CARES ACT PART 1 PAYMENT RATE	CCC PART 2 PAYMENT RATE
Cattle	Feeder Cattle: Less Than 600 Pounds	Head	\$102.00	\$33.00
	Feeder Cattle: 600 Pounds or More	Head	\$139.00	\$33.00
	Slaughter Cattle: Fed Cattle	Head	\$214.00	\$33.00
	Slaughter Cattle: Mature Cattle	Head	\$ 92.00	\$33.00
	All Other Cattle	Head	\$102.00	\$33.00
Hogs & Pigs	Pigs: Less Than 120 Pounds	Head	\$ 28.00	\$17.00
	Hogs: 120 Pounds or More	Head	\$ 18.00	\$17.00
Lambs & Yearlings		Head	\$ 33.00	\$ 7.00

Consumers: Want to Buy an Animal and Have it Butchered for Home Use:

There are many things to consider whether you are a meat consumer considering purchasing a live animal that will be butchered for home use; or a livestock producer wanting to sell animals directly to consumers for home meat consumption. Both the buyer and seller should educate themselves on the access to getting an animal harvested, the cost associated, the retail cuts received and the amount of product one can expect as well as the storage (freezer space) needs for a single animal/carcass. Further, depending on the harvest (custom or USDA inspected) avenue you choose or have access to, there may be opportunities or limitation to market channels.

Things Consumers should Consider Prior to Purchasing an Animal:

- Make sure that you have a harvest date scheduled before you purchase an animal. It is becoming more difficult to secure harvest date for locally processed animals because of a limited number of local butchers and increased demand for locally grown meat. And if you are wanting to sell part of the meat, in Washington State, there are federal, state and county laws concerning these transactions
- Just like in the commercial industry, freezers and freezer space is limited. To ensure the proper storage of your investment, make sure you have a good working freezer with adequate space for the animal you are purchasing. In addition to the size of the animal, the amount of bone-in versus bone-out (ground products like hamburger or sausage) will impact the pounds of meat you take home and freezer space.
- Understand the cost associated with having an animal harvested for home use. Beef cattle, in particular, can be a large initial investment since they can weigh between 1350-1500 pounds. In addition to the cost of the animal (typically sold to an individual live prior to harvest), individuals will also be charged a per animal harvest (butcher) fee, and a cut/wrap fee (based on the animal's hanging hot carcass weight). Further processing such as curing (ham/bacon/pastrami/corned beef/ etc.) and/or value processing (sausage, packaging type and size, etc.) will result in additional cost.
- Your contracted butcher will ask for any special instructions beyond the standard for harvesting and processing. This will be your opportunity to identify the roast, steaks, chops, cutlets, ground product, etc. that you want and the size or portions, as well as the thickness (i.e., steaks cut to 1.25 inches) and how many items or portions per package. In addition to reviewing what options your butcher has available to choose from; you will also need to understand meat cutting instructions (de-boning and grind) will affect the poundage of take-home product. It is paramount to understand how much you can get from one animal; there is only so many T-bone steaks on each steer; a lamb might have 4 legs but you can only get two "legs of lamb" out of each sheep; and traditional bacon like you buy from the grocery store only comes from the belly of the pig (expect about 15-pounds of bacon from a 285-pound market pig). You will also want to consider your family's cooking and eating preferences when choosing cuts and package sizes.
- Go to the National Pork Board, www.pork.org for more information on pork nutrition, meat cuts, cooking instruction of specific meat cuts

and great recipes.

Market Pig Example: Quick Facts: Harvesting a Pig for Home Consumption

- Most market ready pigs are raised to be market ready for optimal meat quality between 5-7 months of age, or between 275-325 pounds. Female pigs are typically leaner than barrows (castrated males). Males not castrated or improperly castrated will likely have an off flavor, called boar taint, which can be a very offensive taste for many consumers. Pigs also need to be fat enough to make high quality bacon that will meet the expectations of the consumer. You will want a pig in the identified weight range that has at least 0.7 inches of back fat (measured at the 10th rib) so that the belly wall thickness used to make traditional bacon is at least 1.0 inches in thickness. This will result in extra fat trim from some cuts, but will yield higher quality bacon and better marbled pork chops.
- When harvested, market-ready pigs (275-325 pounds) will typically dress between 70-72% with the skin-on and the head-off; yielding a hanging carcass weight between 190-235 pounds. The more muscle or the fatter an animal is, the higher the dressing percentage will be. Also, the dirtier an animal arrives to butcher, the more fill in the animal's stomach at harvest, or with less muscle, will result in a lower dressing percentage. Dressing percentage reflects only that portion of the carcass that hangs on the rail after it is butchered. If animals are on full feed when weighed live, the dressing percentage can be as low as 68%. The dressing percentage will be higher for pigs that have the skin left on the carcass. The skin is approximately 6% of the carcass weight. Some facilities will also leave the head on which will increase the hanging weight by approximately 6%. The hanging weight of a carcass is the weight that is typically used to calculate the cut and wrap fee.
- A hanging pork carcass will typically yield about 75% of mostly bone-in meat cuts, resulting in approximately 140-175 pounds of meat to take home. However, if you have more cuts made into boneless products, or more grind done for sausage or cured/smoked products, the hanging carcass will yield about 65-70% boneless cured meat cuts (125-165 pounds of take-home meat). Basically, the more fat trimmed, the more bone taken out of the meat cuts, or pork cuts that are cured or smoked will yield less take-home product. However, remember it is essentially the same amount of total edible meat. The difference is how the meat was cut and packaged (with the bones removed at the butcher shop), versus when you prepare and cook the product at home. Further processing also adds value and engages you in a pleasurable eating experience that may also result in less preparation time. The pounds of take-home meat will be less than the hanging weight used to calculate the cut and wrap cost. A skilled butcher will be able to assist you in deciding what meat cuts are available from specific portions of the carcass (Shoulder, Belly, etc.).
- Most freezers will hold approximately 35-40 pounds of meat per cubic foot.

*By Mark Heitstuman, Paul Kuber, and Sarah M. Smith;
WSU Extension Regional Specialists*

Livestock: Fly Control—Get Ready!

A recent article on fly control highlights the impact of flies on disease and productivity in livestock. The article by Richard Hack is available online and has been summarized below. House flies (*Musca domestica*) and stable flies (*Stomoxys calcitrans*) are the principal fly pests of confined livestock. These flies are more than a nuisance with their capacity to transport disease causing organisms such as the bacteria responsible for pinkeye. Stable flies are about the size of a house fly but with piercing mouthparts that make them particularly irritating with the potential to reduce livestock productivity. Reductions in weight gain and milk yield due to fly irritation typically occur because of animals exhibiting fly avoidance behaviors. These include stomping feet and bunching together which can impact the time spent feeding and resting.

Although these flies are associated most often with confined operation, stable flies are becoming a more serious problem for pastured cattle as well due to their association with hay waste residues. If food is not limiting, flies will complete their life cycle in about 10 days at 85°F, 21 days at 70°F and 45 days at 60°F. The optimum temperature for fly development is around 80°F with lower and upper thermal limits of approximately 55 and 115°F, respectively. Eggs can hatch within nine hours after oviposition and, under ideal conditions, take about 7-10 days to progress from the egg to adult stage. However, cooler weather, dry media and scarce food may increase development time to two weeks or more. Hypothetical calculations suggest that a pair of flies that initially reproduce in April have the potential to be the progenitors of up to 191 quintillion, 10 quadrillion (191,010,000,000,000,000,000) flies by August! Of course, this can never happen because of predators, parasites, and other factors but it raises the specter of a flypocolypse without proper fly control in place.

Integrated pest management (IPM) is recommended for implementing a successful fly control program. Waste and manure removal remove fly breeding areas resulting in a reduction in larvae and viable areas for adults to lay eggs. Although each operation is unique, common fly breeding sites include calf hutches; silage leak and spill areas; animal stalls and pens; feed preparation, storage and manger areas; water sources; calf, hospital, and maternity areas; feed troughs; and inside and outside manure handling areas. Frequent removal of manure prevents fly buildup and breaks the breeding life cycle. Lightly scattering manure outdoors kills eggs and larvae by drying. Ensuring proper drainage ensures that surface water does not build up. Cutting grass and vegetation short removes fly resting areas.

Monitoring adult and larval fly populations is a key component of IPM enabling farm managers to monitor impending emergence of adult flies and provide a basis for timing and frequency of control options. Several methods exist for monitoring fly populations including spot cards, sticky ribbons, and scudder grids. Average flyspecks of 50-100 per spot card indicate a high fly activity and a need for intervention. An average weekly sticky ribbon count above 100 flies per stationary tape, or after walking 300m in the barn in case of moving tapes is considered a high fly activity. A count of less than 20

flies on a scudder grid is likely to indicate satisfactory fly control. In addition to adults, regular monitoring of larval populations is also very important to predict impending fly burst. Routine visual inspection of manure piles for potential hot spots of larval development is useful, and maggots also can be monitored by pupal traps or extracting immature larvae from manure using Berlese funnels or floating them in 0.6m sucrose solution.

Biological control should be part of an overall fly control program with the aim to increase the efficiency of natural enemies. Parasitoid wasps, predatory beetles and mites are used for control of juvenile stages of flies. In addition, several species of entomopathogenic nematodes have been studied for their potential as biocontrol agents against flies. In general, biological control can include practices such as provisioning for temporary manure-refuge of natural fly enemies, manure moisture management, and selective use of less toxic pesticides. For example, a recent study demonstrated that realistic concentrations of imidacloprid in fly breeding habitat may interfere not only with house flies developing to the pupal stage, but also with parasitoids locating and utilizing house flies.

Although chemical use around lactating dairy animals is limited, the use of insecticides for fly control is often an important component in IPM. In situations where pesticides become the only control tool, resistance management requires pesticides to be rotated between different chemical classes deploying different modes of action. Alternate use of pyrethroids, organophosphates, neonicotinoids, spinosyns, insect growth regulators and other classes of insecticides is recommended.

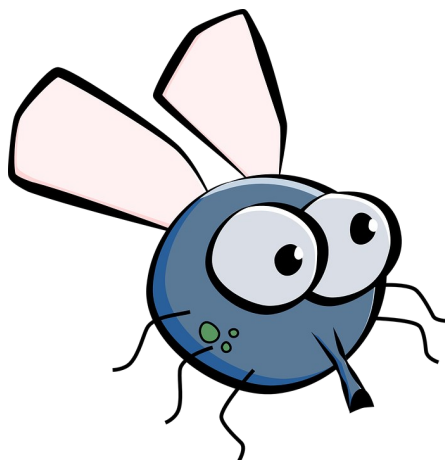
Larvicides are applied to the manure to kill maggots and can be applied as a spot spray, granules, or feed-through premix. They are typically insect growth regulators with cyromazine being the leading active ingredient. Adulticides can include

selective applications of chemicals to the walls and ceilings of housing where flies rest, as well as the use of baited hang boards and fly baits in bait stations are compatible with biological agents. Surface residual spray applications are typically pyrethroids which provide some repellent activity and control the adult flies upon contact with the surface. Space sprays are natural pyrethrin-based with the synergist piperonyl butoxide or organophosphates. Space sprays or mist sprays are used to quickly knockdown adults and suppress overwhelming populations with short

residual actions. Their low residual activity reduces the possibility of resistance; however, they should be applied sparingly and at maximum twice a week at regular intervals. Baits are effective for maintaining low fly populations and typically contain the sex attractant (Z)-9-tricosene and a neonicotinoid (chemical class). The bait formulations are very useful in trapping and killing adult flies, but the bait stations should be positioned to avoid food and water contamination.

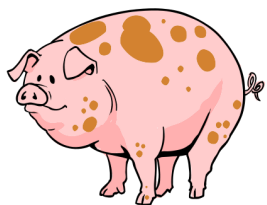
If you are interested in reading more about current research into fly control, check out a recent publication from the USDA Agricultural Research Service in Lincoln, NE, where researchers investigated the autodissemination of pyriproxyfen. It provides some interesting food for thought regarding the impact on control measures of fly population size, the proportion of population that is treated, manure type, and location and delivery method of chemicals.

*By Craig McConnel, WSU Extension Veterinarian;
WSU Veterinary Medicine Extension Ag Animal Health
Newsletter, Spring 2020*



Swine: Skin Lesions in Baby Pigs

A veterinarian was presented with 3-week old piglets with skin lesions that appeared scabby, thickened and “greasy”. A couple of piglets on the farm had died. The veterinarian submitted some skin samples to the diagnostic lab. From the fresh skin samples, many *Staphylococcus hyicus* were cultured and an antimicrobial susceptibility test showed that they were resistant to drugs in the penicillin class of antibiotics (beta-lactams).



the penicillin class of antibiotics (beta-lactams). “Greasy pig disease”, or exudative epidermitis, is caused by an infection with *Staphylococcus hyicus*. There are several strains of this bacterium and five exotoxins that target skin cells. Pigs are usually less than two-months old when they succumb to this disease, and it is rarely seen in adults.

The first signs are skin reddening, listlessness and refusal to eat. In the acute form of the disease, death can occur in just few days. Treatment with the appropriate antimicrobial drug can be effective if started early, in combination with antiseptics applied to the skin daily.

The disease is initiated by predisposing factors including concurrent infection with a viral disease (like parvovirus), nutritional deficiencies (minerals, vitamins), parasitism, inadequate housing (poor ventilation, poor hygiene, high humidity), immune system deficiency (such as pigs born to gilts), and skin trauma (from fighting).

Prevention includes high levels of hygiene for the sows and some individuals suggest washing sows. Controlling the environment with good ventilation, clean and dry pens, controlled humidity and elimination of overcrowding are other strategies. Although first described over 150 years ago, this disease is still with our pig herds and requires our attention.

For more detailed information: 1. <https://www.merckvetmanual.com/integumentary-system/exudative-epidermitis/overview-of-exudativeepidermitis> 2. <https://vetmed.iastate.edu/vdpam/FSVD/swine/index-diseases/greasy-pig>

By Dale Moore, WSU Extension Veterinarian, WSU Veterinarian Medicine Extension Ag Animal Health Newsletter, Spring 2020

U.S. Pork Processing Capacity Utilization Increasing as COVID19-Related Disruptions Recede

Capacity utilization in the U.S. pork processing industry is on the rebound as plant labor forces, earlier infected by COVID-19, recover and return to work and the sector adapts to recommended U.S. Government guidelines. Starting on April 6 with the temporary closure of a major plant in Iowa, virus

related labor force absences have caused a succession of plant slowdowns and temporary closures. However, USDA, Agricultural Marketing Service data show that since April 29—when capacity utilization bottomed-out at 53.9 percent with estimated federally inspected pork production of 60 million pounds— capacity utilization has averaged 76.4 percent, with daily pork production averaging almost 84 million pounds. For the week ending June 12, capacity utilization averaged 76.4 percent, with estimated federally inspected pork production of almost 84 million pounds.

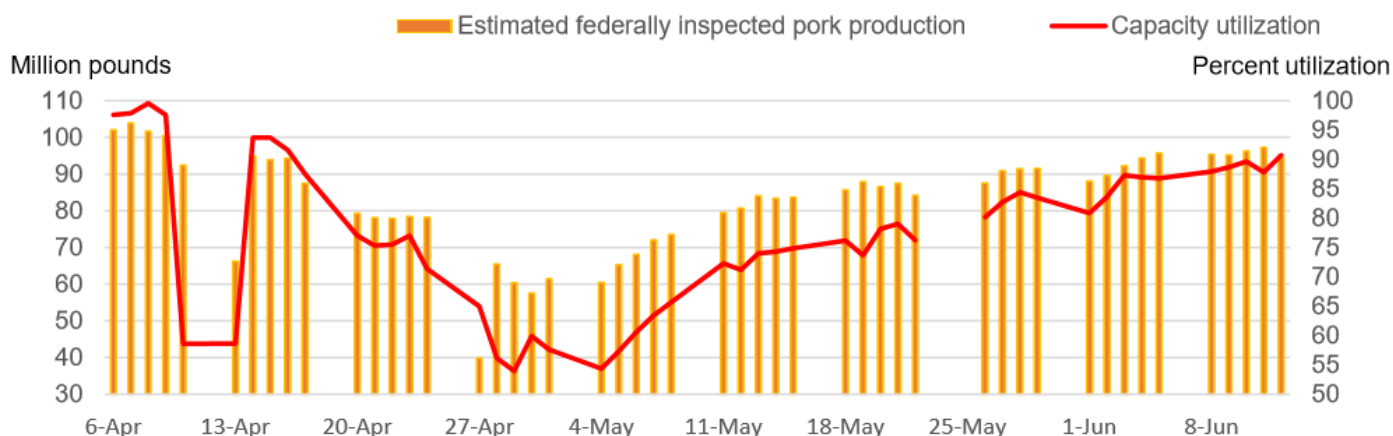
Lower capacity utilization in pork processing plants is slowing second-quarter pork production. After declining almost 11 percent on a weekly basis in April, estimated federally inspected pork production in May was about 1.8 billion pounds, about 9 percent below a year earlier, on a weekly basis adjusted for 2 less slaughter days this year. For the second quarter, USDA is forecasting commercial pork production at about 6.2 billion pounds, almost 7 percent below the same period last year.

For the balance of 2020 and into 2021, processing sector implementation of guidances issued by the Centers for Disease Control and Prevention and the Occupational Safety and Health Administration are likely to hold capacity utilization to below pre-pandemic levels. Third-quarter pork production is expected to be about 7 billion pounds, more than 4 percent above year-ago volumes, as processors work through the backlog of hogs. Fourth-quarter production is forecast at about 7.2 billion pounds, more than 4 percent below production in the fourth quarter of 2019. Total expected commercial pork production for 2020 is about 27.8 billion pounds, less than 1 percent above year-earlier production. Next year, first-quarter production is likely to be about 7.1 million pounds (almost 5 percent below a year earlier). For the balance of 2021 commercial pork production is expected to accelerate, with the total for the year forecast at about 28.2 billion pounds, 1.7 percent above 2020.

Hog prices are likely to continue to lag processing industry recovery rates, reflecting backups of slaughter-ready animals on hog farms. Second-quarter prices of live equivalent 51-52 percent hogs are expected to average \$40 per cwt, 31 percent below year-earlier prices. Prices in the third quarter are forecast at \$44 per cwt (more than 12 percent below a year earlier), and in the fourth quarter at \$43 per cwt, down less than 1 percent from a year earlier. For the year in total, 2020 quarterly hog price forecasts average to \$42.40 per cwt, almost 12 percent below average prices for 2019. Higher prices are expected for most of 2021, with first-quarter prices averaging \$44 per cwt, and prices for the year \$47 per cwt, more than 10 percent above prices forecast for this year.

USDA ERS, Livestock, Dairy, & Poultry Outlook, June 17, 2020

Daily pork processing capacity utilization and pork production



Source: USDA, Economic Research Service transformations of USDA, Agricultural Marketing Service data.