

Daily Livestock Report

ANIMAL NUMBERS, 2002 TOP 12 PLUS ANIMAL WELFARE INITIATIVE STATES

Milk Cows			Hogs & Pigs			Layers		
Rank	State	Head	Rank	State	Head	Rank	State	Head
1	California	1,644,692	1	Iowa	15,486,531	1	Iowa	38,650,210
2	Wisconsin	1,243,315	2	North Carolina	9,887,421	2	Ohio	30,759,965
3	New York	670,003	3	Minnesota	6,440,067	3	Pennsylvania	23,196,416
4	Pennsylvania	591,531	4	Illinois	4,094,706	4	California	22,768,304
5	Minnesota	478,248	5	Indiana	3,478,570	5	Indiana	21,952,110
6	Idaho	390,600	6	Nebraska	2,933,620	6	Georgia	20,022,117
7	New Mexico	315,130	7	Missouri	2,909,609	7	Texas	18,444,496
8	Texas	309,058	8	Oklahoma	2,246,926	8	Arkansas	13,189,901
9	Michigan	298,429	9	Kansas	1,520,996	9	Minnesota	11,876,411
10	Ohio	261,759	10	Ohio	1,422,966	10	Nebraska	11,786,314
11	Washington	246,753	11	South Dakota	1,375,506	11	Florida	10,581,159
12	Iowa	206,965	12	Pennsylvania	1,226,845	12	North Carolina	10,150,213
14	Arizona	154,764	27	California	163,465	?	Arizona	(D)
16	Florida		31	Florida	33,479			
			?	Arizona	(D)			
	United States	9,103,959		United States	60,405,103		United States	334,435,155

Source: USDA, NASS Census of Agriculture, 2002

Please feel free to forward the Daily Livestock Report to others who you think will benefit from having this information. The DLR is published daily by **Steve Meyer and Len Steiner**, and distributed courtesy of Chicago Mercantile Exchange, Inc. You can **subscribe for free** by going to www.dailylivestockreport.com/subscribe.asp. send an e-mail to: feedback@dailylivestockreport.com if you would like to submit a comment or suggestion. To unsubscribe from the DLR newsletter, go to www.dailylivestockreport.com/unsubscribe.asp.

Disclaimer: The Daily Livestock Report is intended solely for information purposes and is not to be construed, under any circumstances, by implication or otherwise, as an offer to sell or a solicitation to buy or trade any commodities or securities whatsoever. Information is obtained from sources believed to be reliable, but is in no way guaranteed. No guarantee of any kind is implied or possible where projections of future conditions are attempted. Futures trading is not suitable for all investors, and involves the risk of loss. Past results are no indication of future performance. Futures are a leveraged investment, and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money initially deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyle. And only a portion of those funds should be devoted to any one trade because a trader cannot expect to profit on every trade.

The Globe Logo and CME are trademarks of Chicago Mercantile Exchange Inc. Copyright © 2008 CME. All rights reserved.

E-Livestock Volume	11/5/08	11/4/08	10/29/08
LE (E-Live Cattle):	16,663	11,987	13,162
GF (E-Feeder Cattle):	572	781	547
HE (E-Lean Hogs):	16,153	14,835	12,886

Free real-time Globex quotes: www.cmegroup.com/elivestockquotes

Yesterday's election results include one vote that is quite concerning for U.S. animal agriculture: The passage of Proposition 2 in California. The proposition requires that all farm animals "for all or the majority of any day" not be confined in a way that prevents it from lying down, standing up, turning around or extending its limbs without touching another animal or an enclosure such as a cage or stall. Those requirements target battery caged layers, stalled sows in both gestation and, apparently, farrowing and stalled veal calves. The requirements become effective in 2015. The law carries criminal penalties including fines and jail terms for violators.

The table at left shows data from the 2002 Census of Agriculture for the top 12 states for milk cows (which we use as a proxy for veal calves), hogs and pigs and layers.

Similar ballot initiatives have passed in both Florida and Arizona in recent years. As can be seen from the table, though, the passage of this measure in California is a much bigger deal than in other states. California ranks first in the nation in milk cow numbers and fourth in layers.

The new laws in Florida and Arizona basically ban stalls for sows and veal calves. The new law impacted very few animals in Florida but will have a significant impact on Clougherty Packing Company's substantial hog operation in Arizona. Clougherty represents such a large share of Arizona hog numbers that USDA does not publish state hog data since they would reveal confidential information for Clougherty. A similar measure in Colorado was withdrawn when Colorado pork producers agreed to voluntarily phase out gestation stalls.

Californians for SAFE Food, an agricultural group organized to oppose Proposition 2, claims that the measure will "essentially close down the California egg industry since it affects 95% of the states egg production." Veal and pork producers have been looking at various group housing systems for some time. The layer industry claims that modern cage systems already meet the highest levels of animal welfare prescribed by ethicists and scientists.

Interestingly, the measure passed by a vote of 63% to 37% — roughly the same percentages witnessed in Arizona two years ago and both losing margins followed aggressive efforts by animal agriculture to defeat the proposals. Proposition 2, like its predecessors was supported by the Humane Society of the United States (HSUS) and Farm Sanctuary. It is likely that these groups will take their effort to other states that have ballot initiative provisions.

HSUS is not the organization that runs local animal shelters and helps with spaying and neutering of pets. That is the Society for the Prevention of Cruelty to Animals or SPCA in most communities.