



News & Views

A Monthly Publication Dedicated to the Feed, Seed, Grain and Farm Supply Industries of Wisconsin

State Grain Dealer Applications ■

Early this month, the Department of Agriculture, Trade and Consumer Protection (DATCP) sent out renewal notices for state grain dealer and grain warehouses licenses. We've received a few calls over a couple points regarding the revised application form.

First, the most common question has to do with an additional form included with the application this year, the *Grain Dealer Default Claim Waiver*. This form relates to a new provision in state grain dealer law which specifically makes ineligible default claims made by producers who have a greater than 50% ownership level in a defaulting grain dealer. This would prevent a farmer/grain dealer from making an indemnity fund claim against his own company for failing to pay, effectively shifting the payment burden onto the fund. This situation does not apply to the vast majority of state grain dealers and as such, you can simply not fill out this specific form. Additionally, (if this ownership situation does not apply) you will need to answer question #9 in Section B regarding whether you have completed this form, "no."

Secondly, there is a typographical error in Section C, line B, regarding the formula you use to calculate your grain dealer license fee amount. The form erroneously states you should multiply the number of bushels from line 4 by a factor of \$.0001. *This is incorrect*. The correct factor is \$.001, as it was last year.

You may also notice on your form a license fee credit for the first time this year. As we stated in an earlier newsletter, the balance in the grain dealer portion of the indemnity fund has crossed a threshold which allows for credits. On average the credit will be about 50% of a licensee's fee. Depending on individual circumstances, there will be members with both higher and lower credit

amounts. And a very important reminder regarding this credit, in order to be eligible for the credit, your grain dealer license renewal must be submitted and postmarked by August 31.

Somebody Asked ■

Q.: I recently heard some Wisconsin dairy farmers have gotten into trouble regarding overuse of animal drugs. What happened and does this potentially affect me?

A.: The short answer to your question is the Federal Food and Drug Administration (FDA) recently sent three warning letters to dairy farmers in Wisconsin and Washington State about alleged abuse of animal drugs. And, yes, I believe this is part of a mounting body of evidence that will result in changes in how medications are dispensed, sold and the purposes for which they can be used.

The details of the three cases are as follows, which bring other questions to mind, which we will discuss following these complaints.

One of three letters went out June 15 to a Wisconsin dairy farmer regarding misuse of the heat-stable antibiotic gentamicin.

In the letter, FDA said a dairy cow sold for slaughter as food last Sept. 9 was subjected to tissue sampling by the U.S. Department of Agriculture's Food Safety and Inspection Service (FSIS). Gentamicin was found in the edible tissue of the animal. The issue is there is no tolerance level for Gentamicin in food.

This FDA warning letter also specifically stated, "We also found that you adulterated the new animal drugs gentamicin sulfate solution, sulfadimethoxine injection, flunixin meglumine, penicillin G procaine injectable suspension, oxytetracycline hydrochloride injection, and penicillin G benzathine and penicillin G procaine injectable suspension," The use of the

word “adulterated” in this context means the drugs were not used as directed by their approved labeling.

A second Wisconsin dairy farm letter went out in which a dairy cow was also sold for slaughter as food. In this case, FSIS testing found animal drugs remaining in edible tissues at higher than acceptable levels for the animal antibiotic drug sulfamethazine.

Samples from the cow came back at 37.280 parts per million (ppm) in the liver tissue, and 65.57 ppm in the muscle tissue. The tolerance level for sulfamethazine is 0.1 ppm.

The FDA letter states, "However, this tolerance does not apply to sulfamethazine in lactating dairy cattle. There is no acceptable level of sulfamethazine residue in lactating dairy cattle. There is also no acceptable level of phenylbutazone residue in lactating dairy cattle." The presence of those drugs in edible tissue mean the meat is "adulterated" under federal laws and regulations.

The FDA letter also stated the “investigation ...found that you hold animals under conditions that are so inadequate that medicated animals bearing potentially harmful drug residues are likely to enter the food supply." In addition, the dairy farm's treatment and inventory records are inadequate for taking care of medicated animals in FDA's view.

The third warning letter went to Washington state dairy farm. In this case as well, the alleged drug misuse was found through tissue samples of a dairy cow sold for slaughter for use as human food last summer. The "analysis of tissue samples collected from this animal identified the presence of penicillin in the kidney at 0.39 parts per million (ppm). FDA has established a tolerance of 0.05 ppm for residues of penicillin in the uncooked edible tissues of cattle..."

Further results from another cow sold late last year showed, "USDA/FSIS analysis of tissue samples collected from this animal identified the presence of flunixin in the liver at 0.3279 ppm. FDA has established a tolerance of 0.125 ppm for residues of flunixin in the liver tissues of cattle.... The presence

of flunixin in the liver tissue from this animal in this amount causes the food to be adulterated..."

Additionally, FDA said the dairy was using Penicillin Injection in a manner not consistent with label instructions.

All three dairy operations have been asked to respond to FDA within 15 days of the receipt of their individual warning letters.

So what does all this have to do with you? As stated earlier, these cases are just a few more examples making the case for those advocating tighter restrictions on the sale and use of antibiotics in livestock production. And don't think potential changes are too far off.

The House Energy and Commerce Committee's Subcommittee on Health held a hearing earlier this month to focus on the use of antibiotics in food-producing animals and the extent to which such use contributes to the build-up of resistance in humans to the use of those pharmaceutical products in human medicine. Testimony was given by Dr. Joshua Sharfstein, principal deputy commissioner at the Food and Drug Administration, which on June 28 issued draft guidance that would deem growth promotion and feed efficiency not to be “judicious” uses in food-producing animals of antibiotics that also are used in human medicine because of concerns over their alleged contribution to antibiotic resistance. Representatives from public interest groups also testified regarding their position, which has advocated banning *all* subtherapeutic uses of antibiotics in food-producing animals. This was the House subcommittee's first hearing on antibiotic resistance issues in animal agriculture during the current session of Congress. Previous hearings covered the topics of human antibiotic resistance.

Bottom line to all this; the regulators are watching this topic very closely and change is coming.

Sources: NGFA and foodsafetynews.com

Revised DON Limits ■

The FDA recently updated its new industry guidance document for deoxynivalenol (DON), commonly referred to as vomitoxin, to specifically include gluten feed and gluten meal among the grain co-products subject to a 30 part per million p.p.m. advisory level if destined for ruminating beef and dairy cattle older than four months. Previously, only distillers grains and brewers grains were identified as being subject to the newly established 30 p.p.m. advisory level.

In June, FDA had released new DON guidance levels but had mistakenly omitted gluten feeds and gluten meals from their revised standards. You should be aware, the newly updated FDA guidance document does not specifically reference gluten feed or meal derived solely from corn, thereby providing flexibility for gluten derived from other grain sources such as wheat, rye and barley.

For ruminating beef and feedlot cattle, as well as ruminating dairy cattle, older than four months, FDA's new advisory levels are:

- **10 parts per million** (p.p.m.) for grains and grain co-products (*on an 88 percent dry matter basis*).
- **30 p.p.m. for distillers grains, brewers grains, gluten feeds and gluten meals** (*on an 88 percent dry matter basis*).
- Further, FDA recommends that the **total ration** for ruminating beef and feedlot cattle older than four months **not exceed 10 p.p.m. of DON**. For **ruminating dairy cattle** older than four months, FDA recommends that the **DON level in the total ration not exceed 5 p.p.m.** The total ration includes grains, all grain co-products (including distillers and brewers grains), hay, silage and roughage.

FDA stated that an increase in the DON advisory levels for beef and dairy cattle was justified following its review of scientific studies referenced by industry sources, as well as the agency's own independent scientific literature review of studies that have been published since the agency last revised its DON advisory levels 17 years ago.

Source: NGFA

WASA Superposters■

We have printed a batch of new Superposters (which contain all the required federal and Wisconsin labor law posters) for the WASA membership. The State of Wisconsin recently changed two of their posters and we have also updated the federal posters which were changed over the past year. If you haven't updated within the past three years, it's time to get a new one. The price is unchanged at \$15 postpaid. Compare that to companies selling the exact same thing at \$125 and you have a bargain.

Annual Dues Notices■

Dues notices were sent out for the 2010-2011 year beginning the first week of June. Thank you to all the members that have renewed their membership in the Association. We appreciate your continued support of YOUR association.

WASA Directory Update■

The following updates should be made to your WASA Directory.

Change:

Riverland Ag Corp.
formerly Whitebox Commodity
Holdings Corp.
3033 Excelsior Blvd., Ste. 320
Minneapolis, MN 55416
Phone: (612) 746-1167

As additions or changes are made throughout the year, we will notify you here in WASA N & V.

In addition, the 2010 Directory will be off to the printer shortly.

Looking Down the Road■

July 28 -29 NGFA/Grain Journal Safety,
Health & Environmental Quality
Conference
Hilton Omaha, Omaha, NE

Sept. 9 WASA Golf Outing
Lawsonia Golf Course
Green Lake
(WASA BOD meeting will be held prior to the event)