DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Parts 53 and 54

[No. LS-94-009]

Standards for Grades of Slaughter Cattle and Standards for Grades of Carcass Beef

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: This document would revise the official U.S. standards for grades of carcass beef and the related standards for grades of slaughter cattle and remove "B" maturity (approximately 30-42 months of age) carcasses with small or slight marbling degrees from the Choice and Select grades and include them in the Standard grade. This action is being taken because carcasses with these characteristics have been shown to be quite variable and often unacceptable in palatability, therefore contributing significantly to inconsistent palatability of beef in the Choice and Select grades. The standards for grades of slaughter cattle, which are based on the beef carcass grades, would be revised to reflect the changes proposed for the beef carcass grade standards. This proposed change should serve to strengthen the competitive position of beef products through increased quality and consistency, and thus be in the best interests of cattle producers. Also it should provide the consumer with an improved product through greater consistency and predictability in the Choice and Select grades.

DATES: Comments must be received by April 19, 1995. See Supplementary Information for date of public hearing session.

ADDRESSEES: Written comments to: Livestock and Meat Standardization Branch, Livestock and Seed Division, Agricultural Marketing Service, U.S. Department of Agriculture, Room 2603 South Building, P.O. Box 96456, Washington, DC 20090–6456. See Supplementary Information for location of public hearing session.

FOR FURTHER INFORMATION CONTACT: Herbert C. Abraham, Chief, Livestock and Meat Standardization Branch, Livestock and Seed Division, Agricultural Marketing Service, U.S. Department of Agriculture, P.O. Box 96456, Washington, DC 20090–6456, 202/720–4486.

SUPPLEMENTARY INFORMATION:

Comments

In order that all those affected have ample opportunity to comment, written views, data, or arguments will be received on the proposal. All persons who desire to submit written data, views, or comments on this proposal are invited to submit such material, in duplicate, to the Livestock and Meat Standardization Branch (see ADDRESSEES) on or before April 19, 1995. Comments must be signed and include the address of the sender and should bear a reference to the date and page number of this issue of the Federal Register. The comments should include information which explains and supports the sender's views. All written submissions will be made available for public inspection at the office of the Livestock and Meat Standardization Branch, Livestock and Seed Division, AMS, USDA, Room 2603 South Building, 14th and Independence Avenue, SW., Washington, DC 20250, during regular office hours.

Executive Order 12866

The Department of Agriculture is issuing this proposed rule in conformance with Executive Order 12866.

Executive Order 12778

This proposed rule has been reviewed under Executive Order 12778, Civil Justice Reform. This action is not intended to have retroactive effect. This rule would not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule. There are no administrative procedures which must be exhausted prior to any judicial challenge to the provisions of this rule.

Regulatory Flexibility Act

The Administrator, Agricultural Marketing Service (AMS), has certified that this action will not have a significant economic impact on a substantial number of small entities, as defined in the Regulatory Flexibility Act, P.L. 96-345 (5 U.S.C. 601). The use of the beef carcass and slaughter cattle grade standards is voluntary, and they are applied equally to all size entities covered by these regulations. Further, this action does not impose any new requirements or costs, it only modifies the grade requirements to reflect modern production practices. Any needed management changes may be done by all entities in response to market signals. The proposed action is expected to benefit the industry by improving consumer satisfaction with

beef products, and there should be no significant negative impact on returns.

Background

Federal beef grading is a voluntary fee for service program, provided under the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1621 et seq.). A primary purpose of grades is to divide the population of cattle and beef into uniform groups (of similar quality, yield, value, etc.), in order to facilitate marketing. Grades provide a simple, effective means of describing product that is easily understood by both buyers and sellers. By identifying separate and distinct segments of a commodity grades enable buyers to obtain that particular portion of the entire range of a commodity that meets their individual needs. At the same time, grades are important in transmitting information to cattlemen so that more informed production decisions can be made. For example, this market preference for a particular grade of beef is communicated to cattle producers so they can adjust their production accordingly

When beef is voluntarily graded, the official grade consists of a quality grade and/or a yield grade. The quality grades are intended to identify differences in the palatability or eating satisfaction of cooked beef principally through the characteristics of marbling and maturity. The principal official USDA quality grades for young (maturity groups A and B) cattle and carcasses are Prime, Choice, Select, and Standard.

In developing the grades, the Department has followed the philosophy that, to be effective, beef grades should sort the supply of beef carcasses into homogeneous groups having a sufficiently narrow range of grade-determining factors so that carcasses within a given grade are essentially interchangeable. Another primary objective is to provide as uniform and consistent product as possible within a given grade.

The Department recognizes that the beef standards cannot be static—they must be dynamic to be of greatest value to the various users. In keeping with this philosophy, the Department has made changes in the standards as necessary to meet the changing needs of users of the system. Recommendations for changes in the standards may be initiated by the Department or by interested parties. When it appears that a change would improve the standards, generally a proposal is published and interested parties are provided an opportunity to comment. In such instances, a decision regarding adoption of the proposed change is made only

after receipt and analysis of all comments

In June 1994, the National Cattlemen's Association (NCA) petitioned USDA to modify the beef quality grade standards by removing "B" maturity carcasses with small and slight marbling scores from the Choice and Select grades and include such carcasses in the Standard grade. This action was a recommendation of a NCA Carcass Quality Task Force which worked for approximately 1½ years to develop specific recommendations for the beef industry to win the "war on fat," while enhancing beef quality and consistency. The task force contained broad representation from the cattle production and feeding sectors, as well as packers, purveyors, and retailers. Several actions were recommended, but only this particular one related directly to the beef grade standards.

The NCA petition stated the modern beef animal today is typically marketed at 12 to 15 months of age when fed as calves and 18 to 24 months of age when fed as yearlings. These modern animals are the result of progressive breeders and feeders who produce faster growing, more efficient cattle. If these animals receive proper care and nutrition, they should have no difficulty producing carcasses in the "A" maturity group. Carcasses of "B" maturity are typically from cattle which are 30 to 42 months

of age when marketed.

Research conducted for the Department by Texas A&M University (Smith et al., 1984, Journal of Food Quality) using trained taste panels indicates that nearly 50 percent of the loin steaks from "B" maturity carcasses with slight marbling, and over 30 percent of the loin steaks from "B" maturity carcasses with small marbling, are less than satisfactory. These carcasses add significantly to the variability of palatability within the Select and Choice grades and they do not epitomize the "modern beef carcass." Permitting "B" maturity carcasses with a small and slight degree of marbling to be graded Choice and Select when they have been proven to be considerably more variable in palatability than "A" maturity carcasses with slight and small marbling creates no incentives for the industry to decrease production and marketing of cattle which do not conform to consumer demand for quality and consistency

Although these cattle make up only a small percentage of the U.S. fed beef supply, their variability can contribute significantly to overall consumer satisfaction with beef. According to a national beef quality audit conducted in 1991, up to 4.8 percent of the fed beef supply was "B" maturity in the slight and small marbling groups. The beef industry processes approximately 26 million fed beef carcasses annually. The possible 4.8 percent affected by the proposed grade change would be 1.3 million carcasses. It is estimated that 42 percent of these carcasses would have less than desirable palatability. This means over 500,000 unsatisfactory carcasses could be removed from the Choice and Select grades, which should have a very important, positive effect on consumer satisfaction with beef. The NCA believes producers can and will respond quickly to the market signals that these "older" animals should be marketed at an age at which they can produce "A" maturity carcasses. Such a shift in management should effectively eliminate most "B" maturity carcasses from the beef supply without affecting overall economic returns to the industry.

The proposed change should also have a positive effect on the marketing of Select grade beef. It will not only make the palatability more consistent, but it will also make the nutritional profile more consistent by removing from the Select grade "B" maturity carcasses which have higher amounts of fat due to the higher marbling level (small in "B" maturity compared to slight in "A" maturity) required for these carcasses to qualify for Select. This makes the Select grade more uniform in both fat content and consistency of palatability and should further its acceptance by consumers who desire a leaner alternative to Choice. Since the name change from Good to Select in 1987 (52 FR 35679), the percentage of Select graded beef has steadily increased, and in FY 93, 33.6 percent of graded steer and heifer beef was Select.

The NCA recommendation stated it was submitted to aid the beef industry in producing a higher quality, more consistent beef product under the Choice and Select grades. Eliminating "B" maturity carcasses will allow market forces to further discourage the production of cattle which do not conform to consumers desire for tender, tasty beef products. The modern beef animal raised and processed using modern breeding and feeding technology should have no trouble producing a carcass of "A" maturity. The U.S. beef quality grades of Choice and Select are recognized throughout the world as the highest quality beef. The small suggested modification to the standards will increase consumer confidence in using those grades to identify quality and consistency.

The Department has carefully evaluated the recommendation and concurs that the suggested changes should improve consumer satisfaction with the Choice and Select grades and thus strengthen the competitive position of beef in the marketplace while aiding the beef industry in its objective of providing more palatable, consistent beef to consumers.

Therefore, it is proposed that the beef carcass standards be revised to remove "B" maturity (approximately 30-42 months of age) carcasses with small or slight marbling degrees from the Choice and Select grades and reduce their grade to Standard.

The standards for grades of slaughter cattle, which are based on the beef carcass grade standards, would be revised to reflect the changes proposed for the beef carcass grade standards. Grades of slaughter cattle are intended to be directly related to the grades of the carcasses they produce.

List of Subjects

7 CFR Part 53

Cattle, Hogs, Livestock, Sheep.

7 CFR Part 54

Food grades and standards, Food labeling, Meat and meat products.

For the reasons set forth in the preamble, 7 CFR Part 53 and Part 54 are proposed to be amended as follows:

PART 53—LIVESTOCK (GRADING, **CERTIFICATION, AND STANDARDS)**

1. The authority citation for Part 53 is revised to read as follows:

Authority: 7 U.S.C. 1622 and 1624.

2. In § 53.203, paragraph (b)(3) is revised to read as follows:

§53.203 Application of standards for grades of slaughter cattle.

(b) * * *

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(3) The approximate maximum age limitation for the Prime, Choice, and Standard grades of steers, heifers, and cows is 42 months. The maximum age limitation for the Select grade for steers, heifers, and cows is approximately 30 months. The Commercial grade for steers, heifers, and cows includes only cattle over approximately 42 months. There are no age limitations for the Utility, Cutter, and Canner grades of steers, heifers, and cows. The maximum age limitation for all grades of bullocks is approximately 24 months.1

Continued

¹ Maximum maturity limits for bullock carcasses are the same as those described in the beef carcass grade standards for steers, heifers, and cows at

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3. In § 53.204, paragraph (c)(1) is revised to read as follows:

§ 53.204 Specifications for official U.S. standards for grades of slaughter steers, heifers, and cows (quality).

* * * * *

(c) Select. (1) The Select grade is limited to steers, heifers, and cows with a maximum age limitation of approximately 30 months. Slaughter cattle possessing the minimum qualifications for Select have a thin fat

about 30 months of age. However, bullocks develop carcass indicators of maturity at younger chronological ages than steers. Therefore, the approximate age at which bullocks develop carcass indicators of maximum maturity is shown herein as 24 months rather than 30 months.

covering which is largely restricted to the back and loin. The brisket, flanks, twist, and cod or udder are slightly full and the muscling is slightly firm.

* * * * *

PART 54—MEATS, PREPARED MEATS, AND MEAT PRODUCTS (GRADING, CERTIFICATION, AND STANDARDS)

1. The authority citation for Part 54 is revised to read as follows:

Authority: 7 U.S.C. 1622 and 1624.

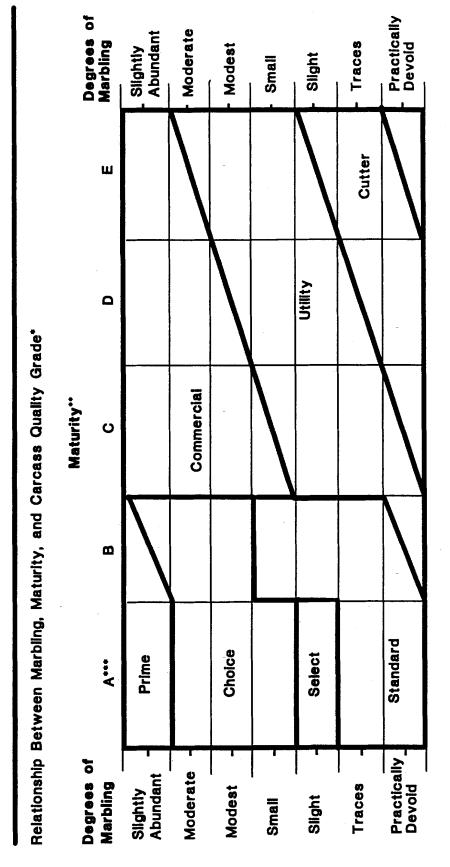
2. Section 54.104 is amended by removing the word "Select," in paragraph (n), revising the third and fifth sentences in paragraph (o), and revising Figure 1 to read as follows:

§ 54.104 Application of standards for grades of carcass beef.

* * * * *

(o) * * * The Prime, Choice, Select, and Standard grades are restricted to beef from young cattle; the Commercial grade is restricted to beef from cattle too mature for Prime, Choice, and Standard; and the Utility, Cutter, and Canner grades may include beef from animals of all ages. * * * Except for the youngest maturity group and the Choice grade in the second maturity group, within any specified grade, the requirements for marbling increase progressively with evidences of advancing maturity. * * *

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* Assumes that firmness of lean is comparably developed with the degree of marbling and that the carcass is not a "dark cutter."

*** The A maturity portion of the Figure is the only portion applicable to bullock carcasses.

Figure 1

^{..} Maturity increases from left to right (A through E).

* * * * *

7. \S 54.106 is amended by revising the third sentence in paragraph (b)(3), revising paragraphs (c)(1) and (c)(2) and removing paragraph (c)(3) to read as follows:

§ 54.106 Specifications for official United States standards for grades of carcass beef (quality-steer, heifer, cow).

* * * * *

(b) * * *

(3) * * * In carcasses throughout the range of maturity included in this group, a minimum modest amount of

marbling is required (see Figure 1) and the ribeye muscle is slightly firm.

- (c) Select (1) For carcasses throughout the range of maturity permitted in the Select grade, the minimum degree of marbling required is a minimum slight amount (see Figure 1) and the ribeye may be moderately soft.
- (2) Carcasses in the maturity group permitted range from the youngest that are eligible for the beef class to those at the juncture of the two youngest maturity groups, which have slightly red and slightly soft chine bones and cartilages on the ends of the thoracic

vertebrae that have some evidence of ossification. In addition, the sacral vertebrae are completely fused and the cartilages on the ends of the lumbar vertebrae are nearly completely ossified. The rib bones are slightly wide and slightly flat and the ribeye muscle is slightly light red in color and is fine in texture.

Dated: January 12, 1995.

Lon Hatamiya,

Administrator.

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