

Dairy

• Meat

• Fiber

Representing ALL Goat Producers

April 2, 2020

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A unified voice for all elements of the goat industry in public policy, education, research, and marketing of goat products.

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The Honorable Sonny Perdue Secretary of Agriculture U.S. Department of Agriculture 1400 Independence Avenue, SW Washington, D.C. 20250

Dear Secretary Perdue,

On behalf of the American Goat Federation (AGF) we write to request that the USDA consider damages to our industry as a result of the current COVID-19 pandemic. AGF represents the nation's 158,000 goat producers in all fifty states which includes multiple sectors of the agriculture economy. We represent meat goat producers, pack goat industry, milk and fiber goat raisers, vegetation control industry, as well as a large contingent of stock show goat breeders. We ask you to consider goats and goat products as you implement the recent CARES and other Covid-19 packages.

One of the inherent problems with this large but diverse and widespread industry is that we have few economic indicators available. The goat industry is an emerging agricultural industry that has continued rapid growth and expansion in the past two decades. Additionally, I would point out that the American goat industry currently does not have access to the same government protection services, such as price protections or federal check off programs that producers of other livestock enjoy.

Our meat packers and markets are decentralized and since much of our market is ethnic, we worry that they may not have access to product in the important spring months and holidays, traditionally large goat meat consumption occurs. As we get little shelf space in traditional grocery stores, consumer demand may be difficult to track and meet with supply since most consumers are doing grocery pick up and delivery from traditional large-box-chain grocery stores. However, throughout this national emergency, it is imperative that consumers have access to locally sourced, safe proteins such as goat meat.



While at this early state, it is difficult to ascertain the total economic impact, some anecdotal information may help shine light on the current and evolving situation. We know that 15 of DV Auctions' recent goat sales have been canceled in the past couple of weeks. Based on receipts from previous years and market prices for sales prior to the COVID19 outbreak, total revenue lost from these cancellations is estimated at approximately 1.8 million dollars. In just one spring sale Willoughby Sales lost over 200 thousand compared to the previous sales in 2018 and 2019. These figures were developed from conservative numbers and in reality, is likely higher, especially when multiplied with factors such as lost wages from sale workers and overall loss of infrastructure as these sales continue to lose revenue. DV is the largest online auction house.

This does not even begin to calculate damages from loss of commercial on-site auctions that may be closed in the coming weeks or months. Even if they continue on with sales of commercial stock, buyers may be hesitant to attend or may not be purchasing due to market volatility.

We also realize many segments of our industry will suffer unique losses and we share many of the same concerns of others in the livestock sector as we continue to provide food and fiber. As many of the major stock shows, sales, marketing shows and fairs have been cancelled along with the inability to conduct weekly market sales has negatively impacted producers, the companies that conduct these sales and the communities that rely on these events for revenue. In addition, the vegetation control industry has reported a significant number of cancelations of contracts.

Since our dairy and fiber producers are often in niche markets, we worry that their sales may be deeply hit as consumers prioritize purchases during the quarantine period. Most of our domestic clip of mohair is sold to South Africa. Testing for wool and mohair samples are done in New Zealand. There is growing concern over how long it will take to market mohair if the supply chain is shut down overseas or trade is halted due to Covid-19.

We are asking that the Department work with the industry to develop a mechanism that will help offset actual and demonstrated losses realized by America's goat producers and help us bridge this gap.



We thank you for the continued opportunity to communicate on these issues and your most recent correspondence. We look forward to working with you through these challenging times in our economy to provide relief to goat producers, breeders and auctions for the losses they have incurred and will incur throughout the coming months dealing with the pandemic and resulting difficulties.

Sincerely,

Randy Dusek, President American Goat Federation

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