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PVPs and QSAs Opportunities to Add Value to South Dakota Cattle

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The opening of the export market to Japan for cattle less than 20 months of age is a potential opportunity for South Dakota cattle raisers to add value to their calf crop. In order to qualify for this market, calves need to be age verified through programs already in place through the USDA. In most cases, when cattle are age verified through birth dates, they are also verified to a particular source (or farm), thus the term “age and source verified.”

Cattle that have been age and source verified may bring a premium in certain markets, but premiums are subject to many variables and are not always guaranteed. Depending on the market and buyer, though, age and source verification may represent a tangible way to add value to a calf crop.

**BACKGROUND**

Meat products eligible for export to Japan (or other countries) must meet a set of product requirements for that particular country. These requirements are called a Beef Export Verification (BEV). Furthermore, the suppliers of these products for export must be part of a USDA-approved (further defined below) Quality Systems Assessment program (QSA) or Process Verified Program (PVP) that meets all of the requirements of the export market.

Example BEV: Japan’s BEV requires that imported beef products be 1) from animals 20 months of age or younger at harvest and 2) from cattle individually identified and traceable back to the ranch of origin.

**QSA VS. PVP**

QSAs and PVPs are similar. Both are designed to help suppliers of agricultural products (such as beef) assure their customers that they can provide products of a consistent quality. And both may qualify cattle for export. All QSAs and PVPs are both approved by and subject to audits by the USDA. As such, both QSAs and PVPs perform systematic audits of their enrolled producers. In addition, the USDA may audit individual producers in the course of their audits of the PVP.

PVPs and QSAs require much capital, labor, and documentation to become established and approved. Therefore, neither is something the average individual producer or group of producers is likely to undertake alone.

**QSAs**

QSAs have *specific product requirements* that are supported with a documented quality management system. In most cases, QSA programs are administered by a particular packer or feedlot. As a result, enrollment in a QSA program limits a producer to marketing cattle only to that packer or feedlot.

Example QSA: With cooperation from its feedyard and producers, a beef processor may have a QSA that documents that its product comes from age- and source-verified animals.

**PVPs**

As opposed to the specific product requirements of QSAs, PVPs have *specific processes* that are supported with a documented quality management system. PVPs will verify the age and source of cattle, but they also can make other claims about the product. These claims may be “all-natural” claims, may be about the use of a certain health program, may be about being raised and fed in South Dakota, etc. When a PVP includes such additional claims, that program needs to audit the producer’s records relative to those claims, in addition to the age and source of the cattle. Many PVPs require on-site evaluations of newly enrolled producers before their approval in the PVP.

Many PVPs are independent of a particular marketing chain. This means the enrolled producer will have more flexibility in whom they can market their cattle to. For
example, if a PVP provides age and source verification, that “process verification” would be acceptable through many QSAs as fulfilling the QSA’s requirement for age and source verification. Because of this flexibility, enrollment in a PVP, not a QSA, will be the preferred route for most South Dakota cattle producers.

PVPs that are currently approved are listed at the website http://processverified.usda.gov. All of the PVPs have their own enrollment procedures, most of which require an on-site visit and examination of records. The PVPs vary as to requirements for identification, cost of enrollment, and assistance provided in marketing calves. Some have specific requirements for calf genetics or for the use of specific animal health products. It is also important to realize that when programs sell tags to enrolled producers, some only sell tags in lots of 10 or 25, while others may sell the exact number a producer needs. These programs are very dynamic at the present time, and, before a decision about enrollment is made, producers and veterinarians should contact the PVP representative to confirm pertinent and relevant information.

While the individual identification of animals is a necessity for most PVPs, there is no link between these programs and the National Animal Identification System (NAIS). NAIS will only be used as a disease trace-back mechanism and will not be accessible by private parties.

Many PVPs will require an electronic identification (EID) tag in the calf. The EID-tag requirement enhances the downstream flow of information, which will follow the PVP-enrolled calf as it makes its way through the feeding-harvest chain. PVPs that do not require EID tags are available, but these PVPs may require their own program-specific visual tag.

Currently, many producers sign affidavits attesting to the age and source of their calves at marketing. It is important to realize that simply signing these affidavits does not constitute enrollment in a particular PVP. PVP enrollment also includes auditing and records evaluation.

Producers interested in adding potential value to their calves through participation in a PVP should become familiar with the different programs available and their specific requirements. Some steps for producers to take to make enrollment easier may include the following:

• Individual unique identification of calves born, whether with a traditional plastic numbered tag or EID
• Individual calf data records, including:
  - Birth date
  - Calf ID
  - Dam ID (requires good identification of females, which is aided by a backup ID [e.g., bangs tags, freeze brand, etc.])
  - Gender
  * At the very least, a record of the first calf born within the group
• Other data that may be required by certain PVPs, such as dates of vaccination and specific products used, or breed registration of sires or dams, may also be necessary.

CONCLUSION

PVPs and QSAs, while complex in structure and internal documentation, don’t have to be complex at the cow-calf producer level. In most cases, it just takes an understanding of 1) program requirements and 2) what exactly needs to be documented at the farm level. In a great many operations, producers are already keeping the needed records in order to become enrolled in a PVP.

The primary source of information regarding PVPs is most often the PVP sales representatives themselves, but veterinarians, livestock auctions, and Extension educators are also good sources.

Sources
