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Colorado's Agricultural Industry Welcomes New Beef Agreement for U.S./Japan Beef Trade

LAKEWOOD, Colo. – Colorado's beef industry is pleased with Japan's new beef agreement, which expands access in the Japanese market for Colorado and U.S. beef.

“Colorado's agricultural industry is thankful to the U.S. and Japanese governments for bringing the change for the Colorado and U.S. beef industry,” said Colorado Commissioner of Agriculture John Salazar. “Japan is our second largest export market for beef already, and with this new agreement we anticipate even more opportunities to sell Colorado beef in Japan.”

In 2003, Japan closed the market to U.S. beef with the discovery of BSE (bovine spongiform encephalopathy) in the U.S. Subsequently Japan opened their market to allow beef from cattle 20 months of age or younger. Now, beef from cattle up to 30 months of age is allowable. This increases the percentage of herds eligible for the Japanese market from 20 percent to around 90 percent.

Japan is a critical market for Colorado beef. In the first six years after Japan limited access to U.S. beef, the Colorado cattle industry lost more than \$350 million in export sales. Colorado is the second largest exporter of beef products to Japan, supplying over 17 percent of all beef exported to Japan and over 25 percent of all frozen beef from the U.S.

Exports of varietal cuts have also resumed. For each of the three years prior to the closure in late 2003, Colorado exported over \$10 million of beef tongue to Japan. Japan is a premium market for varietal meats, and the new agreement will assist Colorado's packers and cattle industry.

“Beef exports to Japan represented over 43 percent of the state's total exports to Japan, even before the expanded access,” said Salazar. “We experienced a growth of over 40 percent in beef exports to Japan in the first eleven months of 2012 versus 2011. With the expanded market access resulting from this agreement, we can look forward to further robust sales in Japan. The expanded availability of Colorado and U.S. beef will also increase value priced beef to the Japanese consumer.”

The U.S. Meat Export Federation, an association based in Denver, Colorado predicts the expanded access for U.S. beef to Japan should result in export increases of over 45 percent in the near future.

International marketing specialists at the Colorado Department of Agriculture are available to assist in beginning and expanding Colorado's export markets. Assistance includes training for export operations, assessment of market options, international finance and accessing USDA funding support for exporters. For information, visit www.coloradoagriculture.com, call (303) 239-4118, or e-mail Timothy.Larsen@state.co.us.

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