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