In 1954, 75% of the feeding was in the hands of relatively small individually operated feed lots whereas today 60% of the fed cattle are turned out by 1% of the operators.

The large packing houses formerly concentrated on the Mississippi River to slaughter and freeze the grass fed beef coming off the ranges before winter became obsolescent and the domestic beef business has changed from being one of small cattle producers and small feeders, large packing houses with extensive storage plants and small retail butchers to one of being large cattle raisers and feeders, small processing plants geared to the feed lots and large chain store retailers.

The other phase of the meat business that has taken a secondary position in the economic planning of the American livestock producers is the manufacturing meat industry which has been affected by the following factors:

(1) The dairy herds have shrunk from 36,161,000 head in 1954 to 22,923,000 in 1967.

(2) The availability of manufacturing meat has been reduced from 42% of the total supply in 1954 to 22% in 1967.

(3) Prices for domestic cattle of manufacturing grades were $9.60 per CWT in 1954 and $16.74 in August, 1967.

(4) The consumer taste for tender, full meated steaks and roasts with all excess fat removed has left an increasing portion of the feed lot beef as fat and trimmings that are mixed with lean meat for hamburger, sausages and processed meats but even this has not fully met the demand for this type of meat as evidenced by the change in cow prices.

(5) The time pattern for production of domestic manufacturing beef does not coincide with the seasons of maximum demand. The meat is available in the spring and fall while the demand is greatest in the summer.

All of these factors have worked to make a vacuum in the supplies of the kind of meats we have in greatest supply in our plants in both Australasia and in South America and the trend is steadily toward an even stronger demand for these meats in the future.