



The Development of the Horse Meat Price and Kill Buyer Shipments to Mexico after the EU Ban An Animals' Angels Investigation

Introduction:

Effective January 15, 2015, the European Union banned all imports of horse meat from Mexico. Since then, there has been a lot of speculation regarding the number of horses shipped to Mexico and the price currently paid to the kill buyer for a pound of horse meat.

Weekly reports of slaughter horse exports to Mexico published by USDA Market News Service show that as of November 5, 2015, 70,564 slaughter horses were shipped. In 2014, 88,670 slaughter horses were shipped in the same timeframe according to the same source, which is a decrease of 18,106 horses. ¹ Animals' Angels researched how these numbers are obtained and how reliable they really are.

The kill buyers themselves have been spreading rumors about **drastically increased prices**, quoting figures between 0.80cents/lbs to 1.00 dollar/lbs in an attempt to justify the high prices for the horses sold via their broker programs.

Animals' Angels has obtained and analyzed hundreds of documents from Mexican customs, USDA/AMS, the Texas Department of Agriculture as well as the New Mexico Livestock Board and the results were quite interesting.

Findings:

1. Horse Meat Prices

The research revealed that there is **absolutely no significant increase in the price paid to a kill buyer** for a pound of horse meat; **prices remained steady between 0.30-0.59 cents/lbs**. How much money each kill buyer receives per pound depends on multiple factors, such as the condition & weight of the horses and the contract negotiated with the customer. Additionally, several kill buyers such as Rio Grande Livestock Auction, Beltex, Les McDaniel, and Trent Ward stopped shipping horses to Mexico for slaughter altogether according to Customs Data.

¹ http://www.ams.usda.gov/mnreports/al_ls635.txt



Examples:

A) Cecil White

Location: Wagoner, OK

Slaughter Plants/Customers:

1. Jose Longoria Calles
2. Empacadora Y Ganadera De Camargo

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$3,964,401

Examples of 2015 Slaughter Horse Shipments:

Date	Name	Horses shipped	Cost	Weight	Price/Pound	Average Weight
8/18/2015	Cecil White	32	\$17,864.00	31,440.12	\$ 0.57	983
8/11/2015	Cecil White	33	\$13,945.00	32,430.00	\$ 0.43	983
8/6/2015	Cecil White	36	\$16,011.00	31,440.12	\$ 0.51	873
8/3/2015	Cecil White	34	\$17,116.00	29,511.08	\$ 0.58	868

Price/Pound received in previous years: 0.44 cents

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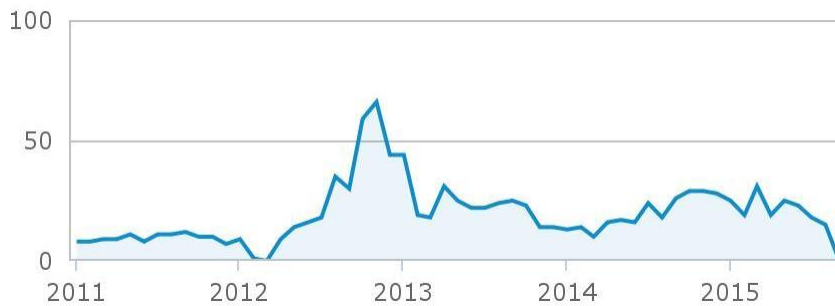
B) Dennis Chavez

Location: Los Lunas, NM

Slaughter Plants:

1. Equinos Import S De Rl De Cv
2. Bertha Ruiz Pacheco
3. Carnicos De Jerez

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$23,575,058

Examples of 2015 Slaughter Horse Shipments:

Date	Name	Horses shipped	Cost	Weight	Price/Pound	Avg Weight
8/26/2015	Dennis Chavez	36	\$15,400.00	28,000.91	\$ 0.55	778
8/24/2015	Dennis Chavez	61	\$30,301.00	60,963.28	\$ 0.50	999
8/24/2015	Dennis Chavez	30	\$14,598.00	29,520.49	\$ 0.49	984

Price/Pound received in previous years: 0.35 cents-0.52 cents

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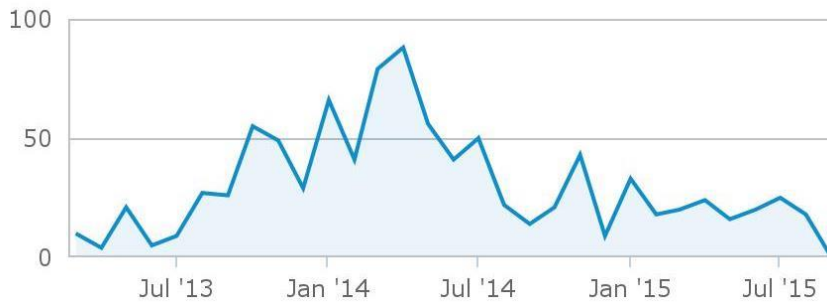
C) Mike McBarron

Location: Forney, TX

Slaughter Plants/Customers:

- 1.Promotora Ganadera Del Rio Aguanavals
- 2.Carnicos De Jerez
- 3.Empacadora De Carnes De Fresnillo

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$17,360,269

Examples of 2015 Slaughter Horse Shipments:

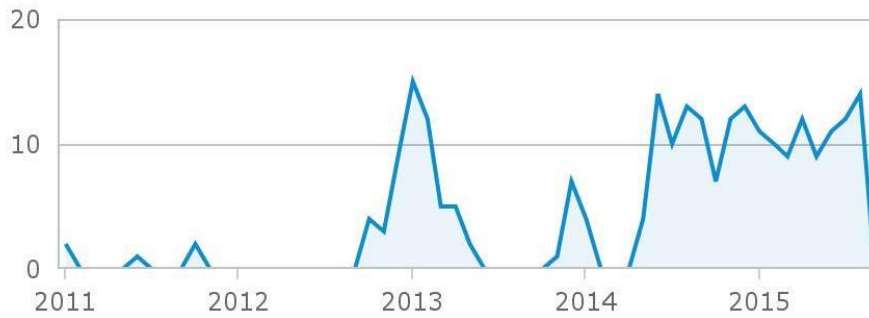
Date	Name	Horses shipped	Cost	Weight	Price/Pound	Avg Weight
8/20/2015	Mike McBarron	35	\$17,204.00	31,861.21	\$ 0.54	910
8/20/2015	Mike McBarron	35	\$16,817.00	31,731.13	\$ 0.53	907
8/26/2015	Mike McBarron	39	\$15,503.00	34,451.64	\$ 0.45	883

Price/Pound received in previous years: 0.34 cents-0.63cents





Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$5,828,145

Examples of 2015 Slaughter Horse Shipments:

Date	Name	Horses shipped	Cost	Weight	Price/Pound	Avg Weight
8/17/2015	Joe Simon	70	\$43,288.00	72,946.22	\$ 0.59	1,042
8/28/2015	Joe Simon	39	\$15,805.00	30,395.13	\$ 0.52	779

Price/Pound received in previous years: 0.44 cents-0.51 cents

F) Trent Saulters

Location: Waco, TX

Slaughter Plants/Customers:

- 1.Carnicos De Jerez
- 2.Empacadora Y Ganadera De Camargo
- 3.Inter Meats

Total value of horse meat shipments to Mexico: \$2,600,133

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Examples of 2015 Slaughter Horse Shipments:

Date	Name	Horses shipped	Cost	Weight	Price/Pound	Avg Weight
6/19/2015	Trent Saulters	40	\$15,688.00	29,601.47	\$ 0.53	740
7/29/2015	Trent Saulters	31	\$13,530.00	27,059.54	\$ 0.50	873

Price/Pound received in previous years: 0.42 cents-0.49 cents

G) Donald R. Flatt

Location: Antlers, OK

Slaughter Plants/Customers:

1. Carnicos De Jerez
2. Ingro Del Norte

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$253,914

Example of 2015 Slaughter Horse Shipments:

Date	Name	Horses shipped	Cost	Weight	Price/Pound	Avg Weight
8/25/2015	Donald Flatt	39	\$13,666.00	30,000.50	\$ 0.46	769

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H) Tina Pack

Location: Mabank, TX

Slaughter Plants/Customers:

1. Carnicos De Jerez
2. Yamallel/Gonzalez/Hasdal Manuel

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$224,153

Examples of 2015 Slaughter Horse Shipments:

Date	Name	Horses shipped	Cost	Weight	Price/Pound	Avg Weight
8/27/2015	Tina Pack	35	\$11,970.00	29,925.55	\$ 0.40	855
8/7/2015	Tina Pack	19	\$6,943.00	23,459.39	\$ 0.30	1,235

I) Rio Grand Classic Livestock

Location: EL Paso, TX

Slaughter Plants/Customers:

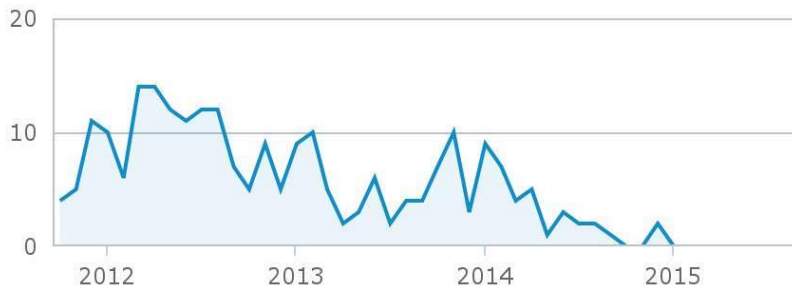
1. Empacadora Y Ganadera De Camargo
2. Equinos Import S De RI De Cv

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Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$3,043,915

No shipments to Mexico in 2015 according to Mexican Customs data.

J) O'Dwyer Investments

Location: Bowie, TX

Slaughter Plants/Customers:

- 1.Carnicos De Jerez
- 2.Empacadora Y Ganadera De Camargo

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$5,558,351

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Examples of 2015 Slaughter Horse Shipments:

Date	Name	Horses shipped	Cost	Weight	Price/Pound	Avg Weight
7/3/2015	O'Dwyer Investments	34	\$15,205.00	30,410.56	\$ 0.50	894

Price/Pound received in previous years: 0.44 cents

K) Les Daniels & Sons

Location: Brookston, TX

Slaughter Plants/Customers:

1. Jose Longoria Calles
2. Carnicos De Jerez

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$759,247

Total weight of shipments: 735,755kg

No shipments to Mexico in 2015 according to Mexican Customs data.

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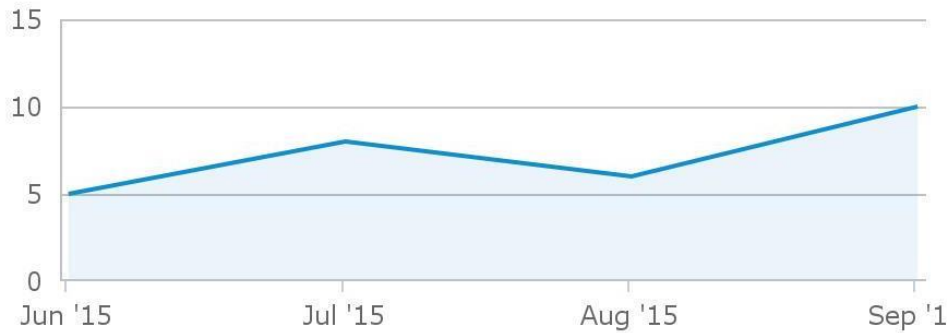
L) Gary Morris

Location: Muleshoe, TX

Slaughter Plants/Customers:

1. Jose Longoria Calles
2. Compania Ganadera Monterrey Sa De Cv

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$296,081

Examples of 2015 Slaughter Horse Shipments:

Date	Name	Horses shipped	Cost	Weight	Price/Pound	Avg Weight
8/19/2015	Gary Morris	31	\$17,955.00	31,499.65	\$ 0.57	1,016
8/20/2015	Gary Morris	40	\$16,562.00	31,250.53	\$ 0.53	781

M) B & B Trading Company

Location: Eagle Pass, TX

Slaughter Plants/Customers:

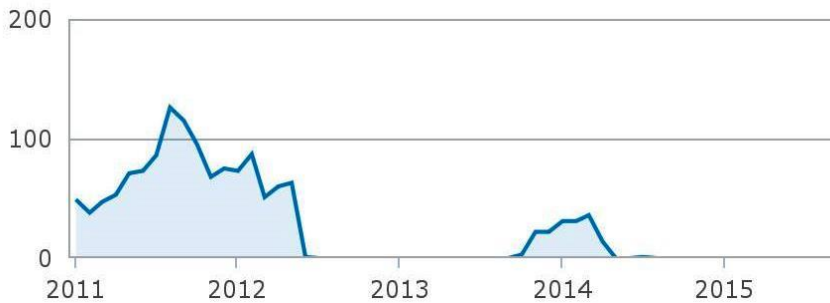
1. Carnicos De Jerezsa De Cv
2. Yamallel/Gonzalez/Hasdal Manuel

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Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$17,624,846

No shipments in 2015 according to Mexican Customs Data

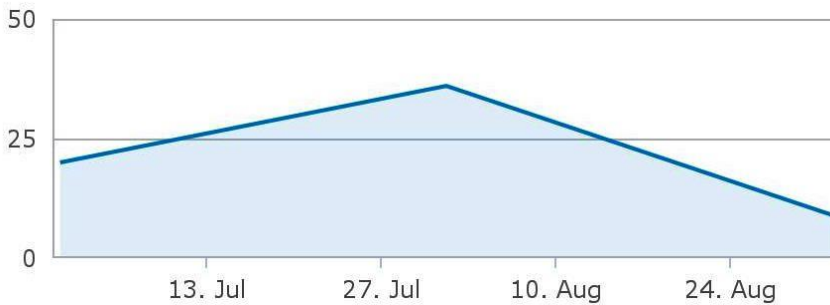
N) Harold Cordell Jr

Location: Del Rio, TX

Slaughter Plants/Customers:

- 1.Carnicos De Jerez
- 2.Union Ganadera Regional De Coahuila

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$740,643

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Examples of 2015 Slaughter Horse Shipments:

Date	Name	Horses shipped	Cost	Weight	Price/Pound	Average Weight
8/27/2015	Harold Cordell	36	\$13,824.00	28,801.19	\$ 0.48	800
8/31/2015	Harold Cordell	27	\$10,992.00	22,899.42	\$ 0.48	848
8/28/2015	Harold Cordell	23	\$ 9,384.00	28,351.45	\$ 0.33	1,233

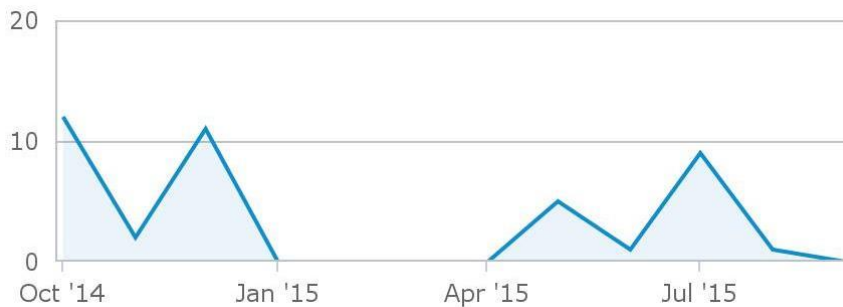
O) El Retiro Livestock

Location: Eagle Pass, TX

Slaughter Plants/Customers:

1. Gutierrez/Garcia/Sergio
2. Promotora Ganadera Del Rio
3. Ingro Del Norte

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$456,972

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Examples of 2015 Slaughter Horse Shipments:

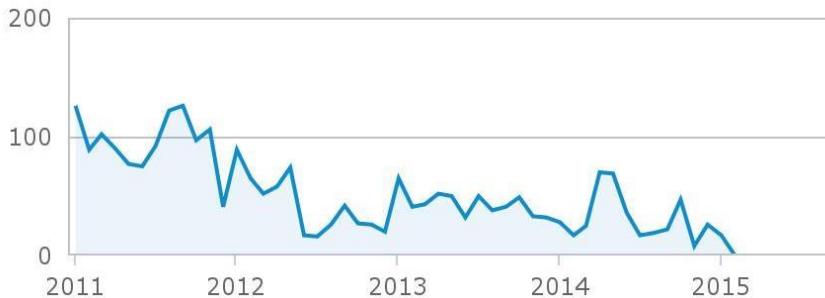
Date	Name	Horses shipped	Cost	Weight	Price/Pound	Avg Weight
7/28/2015	El Retiro Livestock	30	\$14,852.00	28,034.60	\$ 0.53	934
8/3/2015	El Retiro Livestock	31	\$13,000.00	25,999.11	\$ 0.50	839

P) Beltex Corporation
Location: Fort Worth, TX

Slaughter Plants/Customers:

1. Empacadora De Carnes De Fresnillo
2. Promotora Ganadera Del Rio

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$36,371,849

No shipments to Mexico since January 2015 according to Mexican Custom Data and Texas Department of Agriculture records.

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Q) Jimmy Fowler

Location: Mabank, TX

Slaughter Plant:

Empacadora Y Ganadera De Camargo

Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$1,239,422

Examples of 2015 Slaughter Horse Shipments:

Date	Name	Horses shipped	Cost	Weight	Price/Pound	Avg Weight
5/15/2015	Jimmy Fowler	39	\$13,632.00	28,399.95	\$ 0.48	728
8/18/2015	Jimmy Fowler	34	\$15,015.00	30,031.37	\$ 0.50	883

R) Trent Ward

Location: Kaufman, TX

Slaughter Plants:

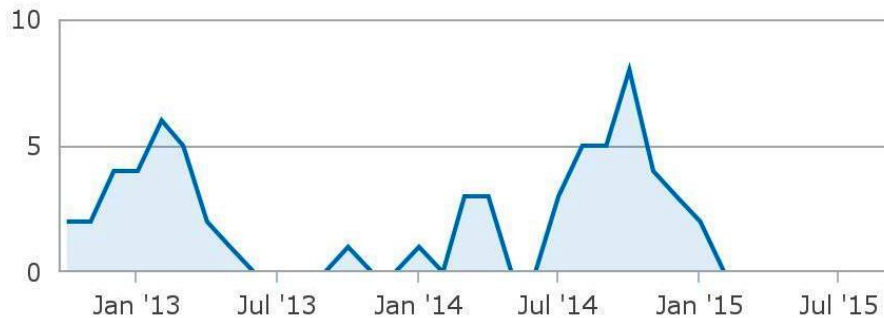
1. Inter Meats
2. Empacadora Y Ganadera De Camargo

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Development of Slaughter Horse Shipments to Mexico:



Total value of horse meat shipments to Mexico: \$979,443

No shipments to Mexico since January 2015 according to Mexican Customs Data.

2. Development of number of horses shipped to Mexico for slaughter

According to the weekly reports of exports to Mexico published by the USDA Market News Service, as of November 5, 2015 70,564 slaughter horses were shipped to Mexico. In 2014, 88,670 slaughter horses were shipped in the same timeframe according to the same source, which is a decrease of **18,106 horses**.

Animals' Angels observations also confirm this development, such as the closure of the Intermeats slaughter plant and several of the kill buyer collecting stations in Texas. While this is a substantial decline of horses shipped, we wanted to make sure that this number is truly accurate and therefore investigated just how these numbers are obtained.

Our concerns were further fueled by the fact that our investigators have been documenting a significantly increased number of donkeys and burros at feedlots and export pens.

Animals' Angels submitted an official Freedom of Information Act (FOIA) request to USDA Market News, asking for information on how the export numbers are obtained as well as any reports/protocols available.

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To our surprise, on 10/29/15 at 1:25pm we received a phone call from USDA/AMS Deputy Director Jim Bernau.

With an extremely condescending tone, he stated that there was no written procedure on how the numbers for the market reports are gathered. Rather, they were in touch with confidential "contacts" who are "in the know" and that all information regarding the process was strictly confidential.

He compared it to: **"It's like if you went up the road to the car dealership and asked them how many cars they sold this week. They won't tell you because their finances and info are confidential."** Mr. Bernau stated that his market reporters are trained to obtain the information from their confidential contacts, stating: "It's like going to the doctor. They know from experience how to make a diagnosis and determine what to report."

He advised the AMS offices/reporters would not keep notes or any other reference material nor would they consult shipment records of any sort. They strictly obtained their information from these confidential contacts and then create their market reports. The overall tone of the conversation was rude and at the end, Mr Bernau wanted Animals' Angels to withdraw our FOIA request. Animals' Angels denied this inappropriate request and responded that we expected a written answer.

A few minutes later, Mr. Bernau sent the following response via email:

"Market News collects data for many agricultural items **through conversations with brokers, processors, agents, buyers and sellers** by our trained reporters. Market News does not keep internal documents or files representing this information reported on the AL_LS604, New Mexico to Mexico Livestock Exports, other than the official report released to the public on our website."

With no protocols in place and no internal reports kept there is no way to double check if the information provided every week is accurate. Even more concerning, USDA/AMS is obtaining this information from contacts that clearly have an agenda and an interest in the performance of the horse slaughter industry, such as brokers and sellers. What guarantee is there that they provide accurate data to USDA/AMS when there are no official controls in place?

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Reviewing the weekly exports from New Mexico to Mexico, Animals' Angels noted that there are no shipments of any burros/mules or ponies in 2015. Reaching out to the **New Mexico Livestock Board** Animals' Angels was informed that:

“There are loads of ‘Mixed’ equine, which may include mules, donkeys, or burros, however our records only indicate that it is a mixed load of equine.”

The **Texas Department of Agriculture** shipment records indicate that the only donkeys, mules, or burros exported from Texas to Mexico in 2015 are for breeding or work purposes. When we questioned the lack of shipments of any donkeys, mules or burros for slaughter, we were advised by a TDA representative that it is left up to the “operator” to complete the Health Certificate. If the operator does not specify the animal being shipped for slaughter is a donkey, mule or burro, the export pen does not add that information. In other words, these animals are in fact included in the export pens’ slaughter horse shipment figures.

It therefore appears that any donkey, burro or mule **destined for slaughter** is simply added to the total number of horses shipped to slaughter and not listed in the separate burro/mule section of the USDA/AMS report.

What does that mean? It means that there is absolutely no way of actually knowing how many horses have really been shipped to slaughter in 2015. Given the increased number of donkeys and burros observed at the feedlots and export pens, the figure could be way down. However, without any corroborating reports or data of any sort available for review, it will remain a mystery.

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