The next ASI Convention will be held in Reno Nevada January 28-31, 2026

Peter Orwick ASI's long standing Executive Director is retiring. The Executive Board is conducting a search for a new person. Mr. Orwick will stay on for six weeks while a replacement is found. Peter will be missed by all. He has offered to be available to advise on issues as needed.

The big news at ASI is the concentrated effort to gain the US Sheep Industry some breathing room from the flood of imported lamb. At this point 73% of the lamb sold in the United States is imported. Attached is a brief from ASI describing the situation.

The ASI Executive Board has hired an experienced law firm focused on international trade issues. Their conclusion after extensive analysis is to pursue a tariff-rate quota (TRQ). To be successful we have to prove economic injury from imported lamb (99% from Australia & New Zealand).

See Chart – Sheep & Lamb Inventory vs Lamb & Mutton Imports

The economic injury research has been on-going and should be concluded soon. The ASI Executive Board has allocated an additional \$100,000 of Guard Dog funds to continue this TRQ effort.

The proposal to the US Trade Representative Office is a TRQ starting at 20% Ad Valorem and an imported lamb ceiling of 190 tons. If annual imports go over the ceiling rate the tariff will double to 40% Ad Valorem. The beef industry has a TRQ on beef imports. The Australian processors work together so they do not trigger the higher tariff rates.

In more local news, the Farm Bureau held their Sheep and Goat Committee policy review meeting in our lamb barn this year! I brought up the issue of imported lamb hurting our market opportunities and mentioned ASI's pursuit of a TRQ for imported lamb. They committee agreed to look into putting a supportive resolution in the AFBF policy book. Since then, a draft policy statement has been written as follows:

## **AFBF Resolution**

## Sheep and Goats, Wool and Mohair

Page 124 Line 3.9 **ADD** 

"WE SUPPORT A TARIFF-RATE QUOTA BE PLACED ON IMPORTED LAMB AND MUTTON WITH A QUOTA VOLUME OF 190 MILLION POUNDS, AN IN-QUOTA TARIFF RATE OF 20 PERCENT AD VALOREM, AND AN OUT-OF-QUOTA TARIFF RATE OF 40 PERCENT AD VALOREM; TO HELP SUPPORT DOMESTIC SHEEP PRODUCTION."

This resolution will be introduced at the county Farm Bureau annual meeting level and then forwarded to the state policy review and then hopefully onto the national American Farm Bureau Federation where it will have some real clout!

Coincidentally, prior to this, my wife Lynn wrote a letter to Senator McConnell concerning lamb imports hurting our domestic markets. She got a call back from the senator's staff. We forwarded info to them from ASI. And yesterday a fellow KY sheep farmer who had worked with McConnell's office on agriculture trade issues made a call to the Senators chief of staff and got him up to speed on the TRQ effort as well.

SO, THINGS ARE HAPPENING!! WE NEED A TRQ LIKE THE BEEF INDUSTRY HAS.

We owe <u>A Big Thank You</u> to these great producer lead organizations working on our behalf; The KY Farm Bureau Sheep & Goat Committee, The KY Farm Bureau Federation and Staff, Peter Orwick and the ASI Staff, The ASI Executive Committee, Contributors to the ASI Guard Dog Fund, The KY Sheep and Wool Producers Association, The KY Sheep & Goat Development Office, and The Southeast Kentucky Sheep Producers Association!