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Editor, Beef Magazine

Sarah Muirhead

sarah.muirhead@farmprogress.com

RE: Economic Impact of USDA Policy and Arizona-Mexico Livestock Port Closures

Dear Ms. Muirhead,

As someone who has spent four decades financing Arizona's agricultural producers, I've seen firsthand how critical cross-border trade is to the health of our rural economy. The current debate over reopening the Arizona-Mexico border for live cattle imports isn't just about ranching policy—it's about jobs, economic stability, and the future of rural Arizona.

For years, Arizona's feedlots, processors, and family-owned ranching operations have relied on the steady supply of feeder cattle from Sonora, Mexico. These imports fill a vital gap when U.S. inventories are low, helping stabilize beef prices for consumers and keeping our feedlots running at full capacity. Without that flow, our producers face higher input costs, limited supply, and reduced competitiveness against operations in states with closer access to livestock markets.

The economic ripple effects extend far beyond the feed yard. In Arizona alone, cattle feeding and related industries support thousands of jobs and generate hundreds of millions of dollars in economic activity. Nearly \$600 million annually is tied directly to Mexican cattle imports. The Nogales port, a vital artery for this trade, supports local businesses, tax revenue, and livelihoods that depend on the steady flow of commerce. This money doesn't vanish into thin air; it circulates through our local economies, supporting feed growers, equipment suppliers, veterinarians, truckers, and small-town businesses across counties like Cochise, Graham, and Yavapai.

Equally important, restricting imports does not strengthen our domestic industry—it weakens it. Without adequate feeder cattle supplies, U.S. feedlots cannot operate efficiently, beef production tightens further, and consumers ultimately face higher prices at the grocery store. At the same time, we risk damaging a long-standing, integrated North American cattle market that has benefited producers on both sides of the border for decades.

As an agricultural lender, I've financed projects in good years and bad. I've seen that when trade flows smoothly, rural communities thrive—tax bases hold steady, jobs multiply, and young families stay. When that flow stops, the economic ripple turns into a shockwave.

Reopening the border for live cattle imports is the right step for Arizona's producers, consumers, and rural towns alike. It's not just a matter of trade—it's a matter of sustaining the backbone of Arizona's agricultural economy.

Regards,

A handwritten signature in blue ink, appearing to read "Jim Henika", is written over a horizontal line.

Jim Henika

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