

Well Above Average

Marketing program is helping producers earn premiums for their investment in genetics, even as market prices falter.

by **KINDRA GORDON**, *field editor*

Even when the cattle market started to “go soft last spring,” says northern California commercial Angus operator Chuck Hedin, “I didn’t notice it when I sold my calves. I was pretty proud; we were 10¢ per pound (lb.) above everyone else.”

Hedin and co-owner Tristan Allen started their cattle operation from scratch 13 years ago after working in the logging industry. Today, they manage nearly 500 commercial Angus cows, with both spring- and fall-calving herds, which Hedin says, “requires half the bulls and allows for hitting two markets per year.” They ranch in the Shasta Valley along the Oregon border and have marketed primarily through Western Video Market, working with Shasta Livestock Auction in Cottonwood, Calif., or Orland Livestock Commission in Orland, Calif.

When Hedin and Allen marketed a fall-born set of Angus-based steers in July 2016, selling through Western Video Market, the group brought \$133 per hundredweight (cwt.) for November delivery at 840 lb. “If you look at November prices right now, they’re \$20 to \$30 per hundredweight below that,” Hedin points out.

What’s been helping make the price difference on their calves? Hedin says they’ve focused on breeding for strong Angus carcass genetics and have DNA test

information on their herd, but most important he believes was the certification and extra marketing promotion his calves received through Top Dollar Angus.

As testament to that he shares this feedback he got from the Overland sale crew. “They said, ‘Someone did a bang-up job promoting these calves, because we’ve had people contacting us wanting them,’” he reports.

As Hedin and Allen have experienced, Top Dollar Angus (TDA), a genetic certification and marketing company, is focused on identifying and helping market premium Angus genetics to bring premiums back to producers for those genetics, explains Kenny Stauffer, general manager for the program. To qualify for the TDA program, feeder cattle and calves must contain two or more generations of Angus genetics with growth and carcass traits in the top 25% of the breed.

The TDA program was launched in August 2014 by Tom Brink, whose experience includes time as a senior vice president with JBS Five Rivers Cattle Feeding LLC. Presently, the Top Dollar Program has commitments from more than 100 feedyard partners with the capacity to purchase more than 1 million head through the program each year.

Similar experience

At Hudson, Kan., commercial Angus breeder Tyler Alpers has experienced similar premium-



More about Top Dollar Angus

- To qualify for the Top Dollar Angus (TDA) program, feeder cattle and calves must contain two or more generations of Angus or Red Angus genetics with growth and carcass traits in the top 25% of the breed.
- TDA qualification can be verified through pedigrees and/or GeneMax® testing, which is the DNA-based tool developed by Zoetis, Certified Angus Beef LLC (CAB) and Angus Genetics Inc. (AGI) to estimate the feedlot gain and marbling potential of individual cattle that are a high-percentage Angus. Igenity DNA testing can also be used on either Angus- or Red Angus-based feeder cattle. Qualifying cattle have the option to receive an electronic identification (eID) tag as part of the TDA certification process.
- Herd screening to determine if cattle qualify is done at no cost. If cattle qualify, the total cost of putting cattle through the program ranges from \$5 to \$8 per head, depending on group size.
- While premiums are not guaranteed, on average the TDA program reports most qualifying cattle generate a \$30- to \$70-per-head premium over the average market price.
- For cattle that do not qualify, TDA staff will still assist with genetics decisions and marketing, in anticipation that getting data back to the producer may help the next generation of calves qualify.
- Seedstock producers who want to identify genetics that fit the TDA criteria can utilize the Top Dollar Angus Seedstock Partnership Program. For a modest fee, TDA will review pedigrees and expected progeny differences (EPDs) of animals for sale and indicate which animals qualify for the TDA designation with growth and carcass traits in the top 25% of the Angus/Red Angus breeds. Participating seedstock suppliers can then incorporate the program’s logo into their sale books, denoting each bull or female that meets required genetic specifications. Additionally, each breeder will receive credits to offset the herd enrollment fees for two to four of their top bull customers.
- Learn more at www.topdollarangus.com.

generating demand for his calf genetics by working with the Top Dollar Marketing program. Alpers and his dad Kevin run a commercial herd of about 550 head with both Angus and Charolais genetics. The father-son duo represents the fourth and fifth generation on their grain and cattle farm; they've focused on selecting Angus sires in the top tier of the breed for growth and carcass traits. They also calve in the fall and spring, which allows for utilizing bulls twice a year and splits up their labor during calving time.

In the past, the Alpers have sold directly through sale barns or placed cattle with feedlots, but after learning about TDA through their seedstock supplier Mark Rohr of Lazy H Ranch in Hays, Kan., they got calves certified, provided vaccination and health history, and marketed their first group of calves with the program in January and February 2016.

The spring-born calves had been backgrounded to 900 lb. and because of the Alpers' Kansas location near several feedlots, TDA staff contacted lots directly to generate offers for the Alpers to consider. Tyler says he liked that the process didn't have them locked in on a one-day-only sale.

"We had the option to pass on the offer and wait for the market if we wanted," he says.

To Alpers, not only was the price premium received worthwhile, but he's also valuing the carcass cutout information that was returned to him after the steers were slaughtered. He was particularly pleased with their cattle's rate of gain and yield grades.

"Previously, if we sold at the sale barn, that was the end of the book," he explains. "Now, we can get the full story behind our genetics. The information we've gotten back is just as valuable as the dollars you see."

He explains that just as he's used auto-track data to improve the farming side of their operation, they will use the carcass data to fine-tune the sire traits they select for in the future.

"Data becomes kind of addictive," he adds, "to see what your genetics are capable of."

The Alpers marketed their fall-born calves in July with the assistance of Top Dollar Angus and were also pleased with the experience and price received.

"We've been happy with how things went. It's a program I definitely see the value in, and one we will be involved with in the future," Tyler notes.

Seedstock perspective

Mark Rohr, Hays, Kan., who raises and sells purebred Angus seedstock under the Lazy H Ranch name, affirms that the TDA program adds value for the breed.

"It's helping our customers get more money for their genetics — that's a success," he says. The Alpers have bought bulls from Rohr for two generations.

He adds that the program also takes marketing pressure off of the producer

because the TDA crew is working to create market avenues and premiums.

Rohr explains the TDA program this way, "It's allowing more storytelling about each herd where the cattle came from, and the more story you can tell over time about a group of cattle, the more interest you are going to have on getting those cattle sold."



Chuck Hedin and co-owner Tristan Allen started their cattle operation in the Shasta Valley along the Oregon border from scratch 13 years ago after working in the logging industry.