

David Daily used top-quality genetics, a sound feed program and business savvy to create and build a multilevel freezer-locker program.



# OPPORTUNITIES ABOUND

Thanks to top-notch cattle genetics, business savvy and a touch of luck, an Alabama producer built a thriving, multilayered freezer-locker business.

*Story & photos by Becky Mills, field editor*

**Y**ou've heard the old cliché about turning problems into opportunities. David Daily could easily have that as his business model. With 25 head of top-quality commercial Angus already on feed, Daily was primed when supermarket meatcases were stripped bare due to COVID-19 and consumers were desperately trying to find beef.

"We ran out of cattle in a couple of weeks, and people were still calling," he says. "We felt like we were selling the last drop of water on earth."

Not to worry. The Russellville, Ala., producer is also in the ag lime business. Through those contacts, he found additional cattle, both in Alabama and in Illinois.

Next, there was the challenge of finding a harvest facility with

room for the cattle. At the same time, Florence, Ala., processors Adam and Renee Cox were having their own challenges. The Coxes were supplying a distributor for white-tablecloth restaurants in Atlanta, Ga. Their business had already slowed prior to COVID-19. When the pandemic hit and restaurants closed in the spring of 2020, business really took a nosedive.

## Handshakes pay off

"COVID brought us together with David," Adam shares.

Daily struck a handshake deal with the Coxes, and they were up and running again by August of 2020. Now they get about half of their weekly volume of cattle from Daily and half from other producers.

That still left the challenge of time. Specifically, Daily's time. October through December is his crazy-busy season for the ag lime business.

"I had over 9,000 calls during those three months. There is no way I could do that and supply my freezer-locker customers," he explains. "People want beef."

Daily turned to his own

advertising medium, Facebook, and found ads for other area producers in the freezer-locker and/or meat market business.

"I called and asked them three questions," he says. "Did you see this coming? Do you have enough



The cattle on feed in David Daily's freezer-locker program are the result of top-notch Angus genetics.

cattle on feed? Do you have enough kill dates?”

The answers were no, no and no. Once again, he created an opportunity with handshake deals with nine of those producers, eight of whom are still with him. He supplies the finished cattle and hauls them to the Coxes. His new partners pay him for the cattle based on live weight. They also pay for the processing. Then their customers pay Daily's partners, and pick up their quarter, half or whole beef. That relieves Daily of spending the time to deal with several hundred smaller customers. His informal partners can concentrate on customer service rather than feeding cattle.

Cullman County, Ala., veterinarian and cattleman David Tyree, along with his son, Caleb, buy finished cattle from Daily for their freezer-locker and meat-market enterprises. Tyree was finishing six to 12 head of his own cattle a year, but Caleb also decided to finish out 84 head due to soft feeder-cattle prices prior to the pandemic. As a result, they had cattle finished and ready to go when COVID struck.

“We killed all those steers and even killed some of the heifers we were saving for replacements,” says Tyree. “In three or four weeks, they were all sold out. We

started buying finished cattle from David. Now we're getting 100 a year from him.”

### Win-win

Tyree says it is a win-win situation. Although Caleb bought a bull in the top 2% of the Angus breed in carcass traits, they're still in the process of upgrading the genetics in their cow herd.

While they were getting some Choice and Prime cattle, Tyree says, “David is providing a better-quality product, and we're getting more Choice and Prime cattle since we've been buying from him.”

The quality cattle



The freezer-locker cattle from David Daily's program hang top-quality carcasses.

**“We had every bell and whistle on those cattle. They were 14.5¢ over the board. If you're going to do the programs, do them all. They've all been part of our progression.” — David Daily**

coming from Daily's herd are no accident. When he was growing up, his father was in the stockyard and stocker business. Daily worked with and for him. However, in 1996 his father started the ag lime business and got out of the cattle except for a few

mama cows. When he passed away in 2010, Daily inherited the ag lime company and its cash flow.

“I decided to do what I'm passionate about, and cattle are it,” he says.

He also inherited the farm and started filling the 600 acres with black-hided cows and heifers from stockyards.

“I thought I could fix them by buying the best bulls that walked,” he explains.

He did. His bull battery included sires in the top 10% of the Angus breed for the weaned calf dollar value index (\$W) and beef value index (\$B). When he began to add more maternal emphasis to the herd, including cow energy value (\$EN), or cow maintenance, he did

it with a bull now leased to Select Sires. [For descriptions of Angus dollar value indexes (\$Values), visit <https://www.angus.org/Nce/Definitions>.]

By 2015 he was up to 500 head of mama cows, along with more leased land. He depended on marketing help from Superior Livestock representative John Henderson. In 2016, at Henderson's urging, he marketed his feeder calves as owner-verified natural. The next year, he enrolled and marketed them with a non-hormone treated cattle (NHTC) claim.

### Marketing help

Unfortunately, in 2017 Daily was diagnosed with lymphoma. To lighten his

load, he culled down to 200 of his best cows. However, ever the overachiever, he excelled at chemo and kept enrolling in more third-party-verified, value-added programs, including Global Animal Partnership (GAP) and AngusLink<sup>SM</sup>.

“I was scared to death when I first started doing AngusLink,” he says. “I didn't know how they were going to score.”

It turns out he worried needlessly. His Genetic Merit Scorecard<sup>®</sup> (GMS), which provides a benchmark for the producer and a marketing tool, was 170 for Beef, 161 for Feedlot Performance and 149 for Grid. The scores range from 0 to 200, with 100 being industry average for each category. (For more details, visit <https://www.angus.org/anguslink>).

“John kept showing me the difference between those program cattle and what I was getting. It was black and white, and we saw the value of the programs pretty quickly. We were getting 8¢ behind the board [Chicago Board of Trade (CBOT)]. The first year we did the programs, we got the board price.”

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The 2019 calf crop, sold in 2020, was his best marketing effort ever.

“We had every bell and whistle on those cattle. They were 14.5¢ over the board. If you’re going to do the programs, do them all,” he states. “They’ve all been part of our progression.”

Those 2019-born calves were bought and fed in an Angus-based, value-added program. Out of 75 head, 44 (or 58%) were Prime and 92% were in the upper two-thirds of Choice.

“I realized I was further along than I thought,” says Daily. “It took us four generations of breeding to top sires, but it paid off.”

It also reaffirmed his decision to keep out those 25 head to finish for freezer beef. They were the ones snapped up as soon as he advertised them on Facebook.

Not only good at breeding cattle, Daily is good at feeding them. While Daily says he’s still fine-tuning his feed rations, the 13% crude protein (CP), low-60% TDN (total digestible nutrients) grower ration, in combination with ryegrass baleage, followed by a corn-based finishing ration, is the *a la mode* to the genetic pie.

Auburn University regional extension agent Alex Tigie says, “Both genetics and feeding are incredibly important, but typically, nutrition is the first step. The best genetics can’t be expressed, and the animal’s potential reached, unless they’re fed properly. David has genetically superior cattle and feeds them right.”

Adam Cox agrees.

“I’ve killed 800 head of cattle a year for nine years,” he says. “This past year, I’ve seen some of the best. David’s cattle are top-quality and don’t take a back seat to anybody.”

While Cox’s facility is USDA-inspected, the cattle are not USDA-graded, but “they would grade the equivalent of high-Choice or Prime,” Cox says.

### Balancing traits

Still, Daily is not guilty of

single-trait selection. He uses his freezer-locker program to select for fertility. While his heifers generally have conception rates in the mid-80% range, after synchronization and timed artificial insemination (TAI) followed by 45 days with a cleanup bull, he wants to do better.

“We preg-check the heifers with a blood test, then put the open heifers in our freezer-locker program,” he explains.

He is now trying to expand his

herd and hopes to supply his whole business with his own cattle by next summer.

COVID or not, Daily doesn’t see the demand for beef slacking off.

“People want to know where



Left: Adam and Renee Cox work diligently to put David Daily’s beef in the hands of consumers.

their food comes from,” he says.

To that end, he’s bought a Gallagher TSi, a weighing and data collection system that, when used in conjunction with radio frequency identification (RFID) tags, will let him log individual cattle from pasture to plate.

“I’m always looking for opportunities,” he concludes. |

Editor’s note: Becky Mills is a freelance writer and cattlemaster from Cuthbert, Ga.

### Always Angus

While David Daily may be constantly looking for new opportunities, one thing he isn’t looking for is another breed of cattle.

“I made that decision in 2011,” he says. “Angus are the best cattle out there to accomplish what I want to accomplish.”

He continues, “After killing enough of my cattle to get a good feel for it, I’ll never breed to anything but Angus. My Angus finish at 1,300 pounds (lb.). The

Simmental crosses are nowhere near finished at that weight.”

He says those larger carcasses demand more freezer space and a bigger budget.

“Middle-income-class people can’t do it, but they’re comfortable paying for a quarter from an Angus calf.”

Long-time meat processor Adam Cox adds, “Angus will put more Prime on the rail than any other breed.”



Cattleman David Daily and meat processor Adam Cox have a handshake agreement that helps put beef in the freezers of consumers.