

The Angus Link

by MATT PERRIER, director of commercial relations, American Angus Association

Participation is optional, but is profit?

Over the last two years, we have promoted the Angus Beef Record Service (BRS) as a simple, costeffective way for commercial producers to maintain records of their cow herds' performance, regardless of breed makeup. Whether producers want to use computer Internet technology, or a good old No. 2 pencil and paper forms, Angus BRS is the most versatile recordkeeping program available today.

But, it *is* optional. You don't *have* to participate in Angus BRS or any other source-verified, individual-animalmanagement program to be successful in the cow-calf business.

Not yet, anyway.

Let economics drive change

We in the beef industry are business-minded. We like voluntary programs, not mandatory ones. We prefer economic signals to government handouts. Therefore, most in our industry oppose an individual-animal identification (ID) program mandated by *any* party, especially the federal government.

So, we will likely see *market-driven* programs making use of a national ID system, just as cattle producers prefer, in the very near future.

Time is on my side

"But," you say, "cattle producers have a few years before this happens, right?"

Consider these comments, which I heard in two recent conversations with representatives of the meat industry and banking business:

Most cattle producers have been

assured that the recently legislated "country of origin labeling" law will be a voluntary practice from September 2002 through September 2004. After 2004, the labeling law is scheduled to be a mandatory procedure. However, there are hundreds of thousands of cows currently roaming pastures, and many will not be processed until after that "mandatory" date. If cow and bull processors are asked to comply with the law, verified information relative to each animal's birthplace, date and each subsequent owner's location will be necessary.

If the processors cannot obtain information verifying the location and source verification of this animal throughout its life, they cannot market its beef into domestic channels. If they cannot market beef into domestic channels, they must severely discount the live animal, or simply not buy it at all.

What's more, many banks are not "counting cows" to audit creditors and customers these days. Instead, they are requiring individual identities on each animal in the producer's ownership. They are asking for detailed information relative to age and ownership transfer. Many are demanding these details before liens are established and notes are drawn.

Considering that these two megaindustries purchase and finance most of our business, their actions will rapidly determine our business practices. Will that make an ID program any easier to swallow? Probably not, but the American Angus Association would like to make the preparations for such a program as simple as possible.

| Contribution | Cont

Angus Beef Record Service can summarize herd data into useful information for decision-making.

Crawl before you walk, walk before you run

Recording and maintaining information on beef cattle is not a simple process. Recording individual information is even more of a stumbling block. This is why the Association's Board of Directors approved a simplified version of the Angus BRS program at its June 2002 meeting. This enhancement allows for the submission of group data. This group information will be processed through a Standardized Performance Analysis (SPA) program, and participating producers will receive reports summarizing their cow herds' performance.

Step 1: Customer enrollment

Similar to the traditional structure of Angus BRS, producers must first enroll as Angus BRS customers, providing contact information and a signature. This enrollment form may be accessed at www.beefrecords.com or requested from the Association's Commercial Programs Department by calling (816) 383-5100. Subsequent forms will then be distributed to the producer in the following order.

Step 2: Cow herd breeding information

At breeding time, enter:

- approximate breed makeup and number of cows;
- approximate breed makeup and number of heifers;
- registration numbers and breeds of bulls; and
- •breeding dates.

Step 3: Calving and weaning information

After weaning or shipping, submit:

- •birth date range;
- number of steer/heifer calves;
- •weaning date;
- average weaning weights; and
- price per pound (if sold at weaning time)

Step 4: Replacement heifer enrollment (optional)

At yearling time, following the selection of replacement heifers, submit:

- herd ID (tag number);
- sire ID;
- •breed makeup; and
- yearling weight.

In an effort to customize the Angus Beef Record Service (BRS) to best fit commercial cattlemen nationwide, the



Commercial &
Industry Relations
Committee of the
American Angus

Association Board of Directors
voted in June to add a
component to Angus BRS. This
addition will allow producers
to submit group data to Angus
BRS for analysis.

Step 5: Feedlot and carcass information (optional)

For an optional report for postweaning data collection, submit:

- •feedyard in/out weights;
- implant regimens:
- carcass weight;
- yield grade and all individual measurements; and
- quality grade and all individual measurements.

Is group data good enough?

With industry analysts predicting a bumpy ride for marketing calves this fall, any information describing cattle for sale is better than none at all. If producers can verify genetic and management information about their calves, and if they can present this in a standardized form to potential buyers, they will see much more interest in their calves. If they can also tie in data about past groups' feedlot and carcass performance, they strengthen the marketability of their calves even more.

Although genetic evaluation cannot be performed on a group basis, your herd's performance in areas such as calving percentage and average pounds of calf weaned per cow exposed can be "benchmarked," or compared to other herds across the nation. As more data is compiled from

(Continued on page 16)

Angus Link (from page 14)

operations nationwide, these comparisons can also be performed on a state or regional level. Plus, this group data can likely be used to increase the value of your calves, yearlings, fed cattle or replacement females at marketing time.

As source-verified programs become

the status quo, cattle with data processed through Angus BRS will offer their producers more opportunities to receive full market value at sale time.

Plus, as producers become more comfortable with submitting records for analysis, the switch to individual-animal management will be much simpler, just like taking training wheels off a bicycle.

Who's going to pay me for it?

Just as most commercial cattle producers today wouldn't think of purchasing bulls without using available tools such as expected progeny differences (EPDs) and other predictors of genetic performance, many feeders are quickly requesting (sometimes demanding) as much information as possible when they

consider purchasing "premium-type" cattle. Many producers already collect this information, but it gets filed in a drawer, never to be seen again. Angus BRS offers producers the opportunity to have this raw data analyzed and maintained in an easily accessed database, housed by the American Angus Association.

Once the data is processed, summaries can be received in paper form, electronically or from the Angus BRS Web site, www.beefrecords.com. This benchmarked information can be used to measure your herd's progress, and — more importantly — to differentiate your cattle from others in the industry.

Although verifiable data will not assure your operation increased returns immediately, it can differentiate your cattle from the "norm," giving you a higher likelihood of receiving their true market value. Plus, this information will likely be the first requirement to sell commercial cattle into most marketing channels in the near future, so preparation today might mean survival tomorrow.

A matter of positioning

Information processed through source-verified programs in the beef industry will not likely be mandated in the next several years. It may not even command much of a "premium" by 2005. It may simply be a cost of doing business in the beef industry.

But, when it does become necessary, we want all users of Angus genetics to be positioned for this rapid shift from nondescript groups of cattle to individually quantified groups with mountains of information about all animals included.

We want our bull-buying affiliates in the commercial cow-calf industry to be prepared to take advantage of any programs designed to reward them for the true value of their animals.

We want our customers to have access to a cost-effective, simple option to process and maintain records on their cow herds.

Is Angus BRS, in either individual or group form, an option for your operation?

You tell me.
Is profitability?
I think we both know that answer.



Editor's Note: Matt Perrier is director of the American Angus Association Commercial Relations Department. He can be reached by phone at (816) 383-5100 or e-mail mperrier@angus.org.