



Your Link to

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Don't panic over the pace of change

When it seems like everything in the beef industry is changing too fast, you may tend to want to panic. It's normal to feel that way, and the usual response is to reassess previous actions and decisions. Whether you are a producer, feeder, packer, retailer or a branded beef program, you second-guess yourself. We need to get a handle on where we are — and where we need to be — to remain competitive.

For cow-calf producers, the challenge with change is deciding where to place genetic selection emphasis, especially as it pertains to carcass traits. You get conflicting, confusing advice and wonder how to interpret mixed signals, specifically on quality grade and red-meat yield.

Growth of the "case-ready" product category has transferred fat trimming losses from the retailer or restaurateur back to the packer. Naturally, we are beginning to see an increase in the value packers place on red-meat yield. The Yield Grade (YG) target may be shifting from a YG 3 toward a YG 2 — but we should not take that as a

decreased emphasis on quality grade.

Those who focus on commodity beef sales suggest the case-ready movement will be the demise of the *Certified Angus Beef*® (CAB®) brand and will decrease the demand for Angus cattle. Wrong.

This welcome change is driven by packer efficiency, not by consumers demanding a less-marbled product. In fact, the opposite appears to be true as we see three major packers identifying CAB Prime and more licensed retailers offering CAB Prime product in their meatcases. Moreover, Chris Calkins's checkoff-funded work at the University of Nebraska tells us that consumers are willing to pay more for marbling, even when tenderness is held constant.



Non-Angus producers in the industry might wish it were different; they may try to tell you that selecting for marbling is a waste of time. But the evidence says you are on track with that selection. No real or imagined changes in the industry

have altered the fact that quality grade is and will continue to be a primary influence on carcass value.

3-D cattle

The three-dimensional cattle will be the ones that return the most dollars and afford producers the opportunity to remain competitive. I don't mean wider, thicker and longer. I mean cattle with the genetic potential to efficiently produce a carcass at the upper end of the weight range that excels in both quality grade and cutability.

The beauty lies in the fact that you don't have to choose between weight, quality or red-meat yield. If I have heard it once, I have heard it a thousand times, "The only thing we have to sell is pounds." I agree, but as producers in sole control of the bovine genetics, we can also take an active role in determining the composition of those pounds. A 949-pound (lb.) YG 2, CAB carcass is worth more than a 949-lb. YG 2, low-Choice or Select carcass.

Not to oversimplify, I realize there's a balancing act in trying to determine the most profitable end point at which to harvest cattle. In some cases, with some cattle, there may be an efficiency advantage to feed for a Select end point rather than for a Choice or CAB end point. But with Angus cattle there may be no advantage to aiming for Select, and why should you if the cattle are genetically predisposed to enhance marbling deposition and red-meat yield?

I know these two traits are
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considered “antagonistic,” making it difficult to improve both simultaneously. But by using the American Angus Association *Sire Evaluation Report* to select bulls that excel in both traits, you can create the genetic package to overcome the obstacle.

The sire summary provides the most

accurate information in the industry to allow positive change within your cow herd for carcass traits, growth performance and female functionality, all at the same time. This information is not based on random chance but rather on the largest beef cattle database in the world.

In addition, there are several Certified Angus Beef LLC (CAB)-licensed feedlot

partners across the country who are willing to manage your cattle in a manner that maximizes the return on your cow herd’s genetic investment. A complete listing of licensed feedlots is available at www.cabfeedlots.com.

This is a critical time for all of us in the business of producing and marketing beef. It is a time to assess our direction and course. But for those

already paying close attention to carcass merit, it’s no time to panic.

You will emerge from this period with a renewed confidence that your steps have been on course. Any adjustments you make toward finding that balance between quality grade and red-meat yield will be beneficial as you carve out a competitive spot in this industry.

Don’t panic, even if you have never considered carcass merit when making genetic selections. But it may be time to give it a serious second thought.



Editor’s Note: *The fall 2002 Sire Evaluation Report is available online at www.angus.org. If*



you would like to receive a printed report, call the American Angus Association Performance Programs Department at (816) 383-5100 or e-mail Brenda Schafer at bschafer@angus.org.

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