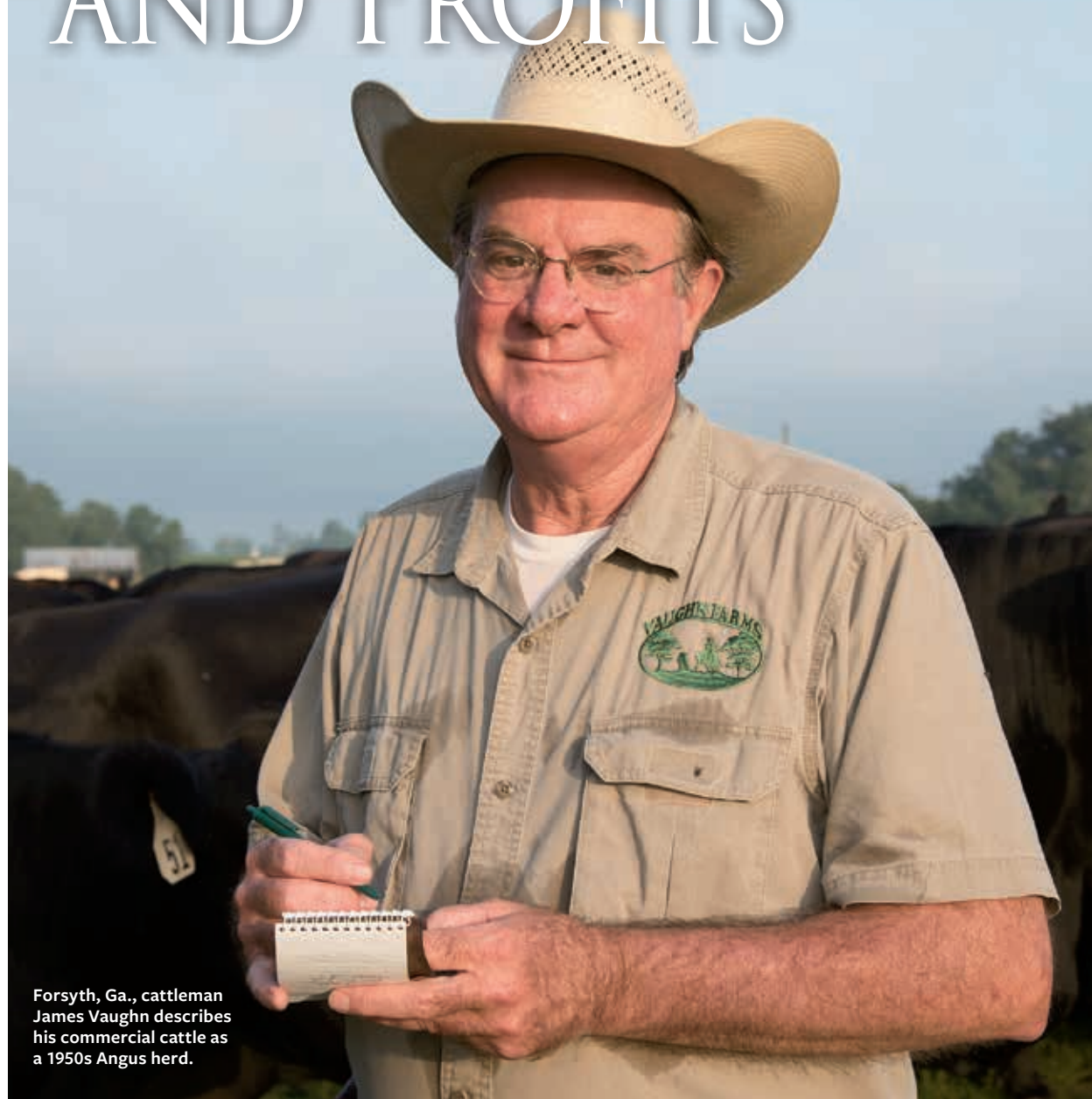


# BUILT ON TRUST AND PROFITS



Forsyth, Ga., cattleman James Vaughn describes his commercial cattle as a 1950s Angus herd.

## Unconventional partnership pays off in high-quality cattle and premiums.

Story & photos by Becky Mills, field editor

When you send a truckload of your calves to a feedlot 1,050 miles away and don't even bother to price them first, you'd best have faith in the fella at the other end.

"This relationship is built on trust," says James Vaughn, about his informal partnership with Atlantic, Iowa, feedlot operator Bill Pellett. "A couple of days after the cattle leave here, Bill and I will get on the phone and decide what they're worth. I'll email him an invoice, and Bill sends me a check."

"We're transparent with each other," says the Forsyth, Ga., cattleman. "There are times I've been disappointed in what I've had to take and times he's been disappointed in what he's had to give, but we've understood for 25 years both of us have to make money to stay in business."

Their business dealings and friendship started with plain ol'-fashioned visiting. A van load of Georgia cattle producers, extension agents and state cattlemen's association executives toured southwest Iowa in the early 1990s, hoping to form a relationship with the Tri-County Steer Carcass Futurity (TCSCF) and move the Georgia Beef Challenge there. In the Beef Challenge, Georgia producers send a sample of their calves to feedlots, and the calves are measured for everything from average daily gain to disposition. When they are harvested, once again, concise data are collected and shared with the producers.

Vaughn was on that van.

"I don't know why they invited me. I think they wanted a free lawyer," he quips. Speaking of which, that makes his informal partnership even more of an anomaly. He specializes in ag, timber and environmental law. He spends a fair amount of time dealing with contracts, like the ones he doesn't have with Pellett.

Once again, back to the van and the trip to Iowa. The Georgia group liked what they saw and started working with TCSCF. When the feeder-cattle market wrecked in 1993, Vaughn sent the steers from his then-150-cow Angus herd to Iowa with the Beef Challenge.

Two, maybe three years passed. Once again, Vaughn was in Iowa with more Beef Challenge folks.

"We were at a dinner at a VFW in some little town, and Bill came up to me and said he was very supportive of the Beef Challenge," he says. "But, if I ever got ready to sell instead of retaining ownership, he'd buy every calf. He had noticed our cattle graded and fit his grid."

"He had a plan to continuously improve his cattle," recalls Pellett. "He has the same goals we do. I don't like to go out and look for the cheapest cattle. I want quality. That's what the consumers want."

By then, the market had shifted and selling feeder calves looked like a better deal than finishing. They made a deal.

It turns out Pellett has a knack for finding good cattle. Vaughn pulled out a couple of his recent closeout sheets. Fifteen steers closed out on July 9. There were 20% Prime, 67% *Certified Angus Beef*® (CAB®) brand and 13% Choice. Four heifers were harvested in May. One was Prime, the other three were CAB. Seven more steers were harvested in May: 14% Prime, 71% CAB and 14% Choice.

Vaughn didn't cherry-pick those closeout sheets. He gives part of the credit to the genetics of his herd, which now numbers 400 cows.

### Focus on females

"We have a 1950s herd of cattle we never changed. A lot of the farms in this area have done some serious AI (artificial insemination) work to improve their cattle. We've been fortunate enough to do it by only AIing the registered cattle."

At the Vaughns', only around 40 of the females are registered.

"In the '90s I started looking at buying quality carcass bulls. They were hard to find and expensive, so I bought 15 registered cows with the purpose of making breeding bulls. We kept looking at the females and figured out which ones worked and which ones didn't."

"Don't tell Bill Pellett, but we focus on the females," Vaughn admits. "We send him the steers so we know how we're doing."

The cows that produce those steers are a 4.75 to 5.0 frame score. They are easy-keeping females that breed and calve every year. He adds they don't put up with the ones that have bad dispositions.

"Our whole deal is data-driven," he says. "I've been keeping computer records since 1999."

He pulls out another sheet from his files, this one on cow W17-08. The commercial female is 11 years and 6 months old, had a weight per day of age at weaning of 2.02 pounds (lb.), has had 10 calves with a calving interval of 345 days, and two of her heifers have been kept for replacements.

To aid in his recordkeeping, he has electronic identification (eID) tags in all his breeding stock and in the calves that go to the feedlot. In turn, Pellett shares the feedlot and carcass data with Vaughn.

"He is finding out exactly what his cattle do," says Pellett. "There are a lot of good base genetics that are very helpful. He is picking the best, refining those, and moving on."

### Prepped right

Vaughn's cattle health and

## Angus operation starts with a bang

Actually, that's Bang's, as in brucellosis. In the early 1950s, James Vaughn's father, Butler, and his uncle, Fred, had one of the most modern dairies in middle Georgia, and it was stocked with mighty-fine Jersey cows. However, Butler contracted brucellosis and almost died. The doctors told him not to get that close to cows anymore. As a result, he and Fred sold the Jerseys and bought an Angus herd.

"That's how we got in the Angus business," Vaughn reports.

After more than 60 years of Angus, he's determined they're staying put.

"They're the best cattle to have. They fit the place, and the place fits them. They're good for business, and I don't think I could do as well with another breed."

Vaughn does let his business side down for a bit, though: "I like to look at those black cattle on bright green pastures."

He adds, "The only criticism I get around here is Jordan says they don't move fast enough for his cutting horses. They move fast enough for me."



Calves are preconditioned at Vaughn Farms before they leave for Iowa.

preconditioning program is another reason the calves are successful in Iowa.

"You don't get cattle to grade like that if they're sick," he states.

He starts with two rounds of Ultrabac® 7/Somubac® for the clostridial diseases and *Haemophilus somnus*, given while the calves are still nursing. They also get two rounds of Bovi-Shield Gold® FP® 5 VL5 for respiratory diseases, one while they're still on the cow and the other at weaning.

They also get two rounds of Mycoplasma vaccine, two rounds of One Shot® for Pasteurella caused by *Mannheimia haemolytica*, and are dewormed with Dectomax® injectable and an albendazole drench. In addition, they give Inforce™ 3 for respiratory diseases right before they get on the truck for Iowa.

During the preconditioning period, the calves get a 12% to 14% commercial preconditioning pellet, and have access to grazing, both Bermuda

grass and Dallis grass pastures, as well as limit-grazing on pearl millet in the summer and wheat, ryegrass and clover in the winter.

"We wean at 550 to 650 pounds," says Vaughn. "Another 100 pounds pays for the feed and then some."

Preconditioning time is a minimum of 45 days, but normally is 60-90 days and on up to 120 days. There will be a three-month spread and two shippings, says Vaughn.

"We calve year-round," he mentions. "That gives us a year-round supply of cattle to send to Bill." He adds, "I do a lot of things opposite of what the Extension service recommends because it works better for us."

For others, a year-round calving season might present the challenge of finding a truckload lot of uniform cattle. Not in this case. Early on, Vaughn approached other producers who had bought his heifers, or had similar-type calves. Soon, either he or friend and fellow Forsyth cattleman Phil Ham assemble truckloads of like-sized, like-type calves.

Vaughn says: "Occasionally

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we'll send a truckload on our own, but most of the time we send 20 to 50 head on a load with several other producers. The beauty of it is we don't have to put a 500-pound steer on the truck with a 700-pound steer."

Neither Vaughn nor Ham buy the calves from the cooperator herds, but help by putting the loads together and give them a place to load their cattle.

Vaughn also gives Pellett credit for his cattle's performance: "Bill knows how to feed them. He knows how to progress that ration."

"The efficiencies he's working on in his cow herd are captured in the feedlot as well," says Pellett.

## Changes

Four years ago, the informal partnership morphed again. Jim Ham, Phil's late brother who was tragically killed in a wreck, was at a Farm Bureau meeting and met an exporter from Atlanta. Peter Landskroener, president of Palmetto Food Services LLC in Atlanta, just happened to be sourcing top-quality beef from

Greater Omaha Packing, the same plant where Pellett usually sells his cattle. Pellett, who is always looking for the best end source for his product, met with the Georgia cattlemen and Landskroener.

Now, Vaughn, Ham and their local cooperators are still selling their feeder cattle to Pellett, but from birth to harvest they are officially non-hormone treated cattle, as well as age- and source-verified, and wind up in the European market.

"We ran 1,500 head through the first year," says Vaughn. "Then they wanted to double it, so Bill contracted with other feeders up there. The last couple of years we've sent 3,500 head from 30 farms, all in middle Georgia."

That includes an increase in his own herd.



James Vaughn calves year-round so he'll have a steady supply of feeder calves to send to feeder Bill Pellett in southwest Iowa.

"When we first started selling to Bill, we were sending 75 to 100 head. Now we're sending 225 head," he says.

Vaughn isn't complaining about the increased demand. Although he and the other Georgia cattle producers still sell the cattle outright to Pellett, they get a premium at harvest. Vaughn notes that the premium isn't much, but it

covers the IMI Global audit and the extra paperwork.

The initial purchase price isn't too shabby, either. Pellett prices the calves off the western price for similar high-quality cattle, minus the shipping cost.

Vaughn plans to stick with his ship-sooner-price-later deal with Pellett, and Pellett has no plans to quit buying his cattle.

"This has worked out and goes beyond business," the Iowa cattleman says. "Our families have gotten to know each other, as well."

On his end, Vaughn says, "We get the carcass data and the market we need to perfect our cattle. Bill is getting the cattle he wants to feed. I can't find a better way of doing it." ■

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

## Family first

If there is one thing James Vaughn is more proud of than his Angus cattle, it is his family. For starters, there is his partner in the 5,600-acre timber, cattle and hay farm — his sister, Brenda Vaughn Caldwell.

There is also his partner in marriage for 40 years and counting, his overachieving wife, Beth, who graduated from Auburn University with a degree in finance and a master's of business administration degree (MBA) from the University of Georgia. Beth chairs the board of directors of the Bank of Dudley and Hogan Timberlands.

She is also a partner in Country Oaks Farm and Pet Supply in Forsyth, and son Jordan's assistant in his cutting-horse operation. Beth has the vital task of warming up and cooling down Jordan's equine athletes. In her not-so-spare time, she helps with hay harvest, cattle work, recordkeeping and herding six grandchildren.

Jordan, who is one of James' and Beth's three sons, has an equine science degree from Auburn University. In addition to his cutting-horse business, he helps manage the animal health program for the cattle and horses and works in the hay operation.

Matthew, who also works on the farm full-time, graduated from Abraham Baldwin Agricultural College in Tifton, Ga., with a degree in agricultural engineering technology. Besides being the No. 1 equipment man, he helps with the day-to-day cattle chores and the hay operation.

Benjamin has a degree in forestry from Auburn and a law degree from Mercer University. He has his own law practice in Forsyth and helps manage the farm's timber.

Daughter Jennifer Vaughn Hickson graduated from the University of Georgia



Vaughn Farms is a family affair. Here, Jordan and Reid Vaughn do chores with Jordan's mother and Reid's grandmother, Beth Vaughn.

with an animal and dairy science degree. She and her husband live in South Carolina, where they are involved in the cutting-horse business and she works as an assistant to an equine veterinarian.

**CERTIFIED ANGUS BEEF® 2018 SEEDSTOCK COMMITMENT TO EXCELLENCE AWARD**

# GAME CHANGER

## 2 Bar Angus wins CAB seedstock award.

by *Miranda Reiman, director of producer communications, Certified Angus Beef LLC*

When Steve Knoll went to buy a few Angus bulls to put on his registered Salers herd, it changed everything.

“I was blown away with what the bulls were bringing. The bulls I thought I would just go and buy and bring home, I couldn’t afford,” says the Hereford, Texas, rancher. Instead, his trailer carried two registered Angus cow-calf pairs — one nursing a heifer, the other, a bull.

With one flush, he’d start his embryo transfer (ET) program. Today, it’s still about 75% ET and 25% artificial insemination (AI).

It’s been more than two decades now, and they’ve since grown into a program sought after by large commercial ranchers who want high-performance genetics that work back at the ranch, too.

Steve and Laura Knoll’s focus on quality earned their 2 Bar Angus business the *Certified Angus Beef®* (CAB®) brand’s 2018 Seedstock Commitment to Excellence Award.

Repeat buyers depend on functionality.

“Most of them have been here generation[s], and they make a living off of these cattle,” Knoll says. “Fertility is first and

foremost. They’ve got to have a calf every year.

“Then if you can add these other bells and whistles, like a little more growth and maybe a little more marbling — that’s more money they can put in their pocket, pay their bills to keep their place,” he says.

The bulls in their March sale book had an average marbling expected progeny difference (EPD) of 0.93, compared to a breed average of 0.53.

“Cattle that marble don’t cost any more to have in your herd,” Knoll says.

Having HD50K DNA-tested bulls

that can handle the heat, mesquite and wind is part of the draw for customers.

Last fall, CAB started a *Targeting the Brand* incentive program to encourage Angus producers to use that trademark to identify bulls more likely to improve the number of CAB qualifiers in a herd. Cattle must meet minimum requirements for grid value (\$G) and marbling before the mark can appear next to specific animals in the sale book.

Out of 117 bulls in their sale, 97% qualified for that logo — the highest of any breeder using it.

Goals for the next 10 years aren’t long or complicated.

“I want to get all my kids graduated from high school and college,” he says. “My job’s to raise a family, and that’s still my goal. We’ll do it with Angus.”

Editor’s note: A more in-depth feature is available in the October 2018 *Angus Journal*.

**CERTIFIED ANGUS BEEF® 2018 PROGRESSIVE PARTNER AWARD**

# ADDING VALUE

## Missouri Angus breeder earns Progressive Partner.

by *Nicole Lane Erceg, producer communications specialist, Certified Angus Beef LLC*

To the naked eye, it looked like a mess of weeds. In 1994, Kenny Hinkle saw the pasture near Nevada, Mo., as his own Wild West waiting to be tamed. The land was barren: no fence, no barn, no cattle-working pens. There wasn’t even a house. Cattle didn’t pay the bills yet, and his swing shift at 3M occupied most daylight hours.

Hinkle purchased the 30 acres anyway, and proved a lot can get done between 8 p.m. and 3 a.m. Cows were bred, a house was built, and fence and working facilities slowly took shape.

In those days, wife Janyce says, they mainly communicated through notes left on the kitchen counter. What chores he couldn’t

finish, she added to her list. Her work checking heats, moving cattle and feeding bulls became vital to maintain the growing herd.

For all of that and today’s reality forged from years of diligence, the Hinkles earned the 2018 *Certified Angus Beef®* (CAB®) Progressive Partner Award.

It began by selling a few bulls to folks down the road. The pennies earned were reinvested into the business, helping them improve each year. The seeds Hinkle planted grew to a flourishing business that now markets 300 Angus bulls annually.

Hinkle makes the most of limited resources. His bulls are entirely the product of artificial

insemination (AI) and embryo transfer (ET).

“We don’t have a big cow herd, because we don’t have anywhere to put them,” Hinkle says. Making the best of what he has, the cow herd and bulls are developed on about 500 acres of forage and through the help of a few local cooperating herds.

Flip through the pages of the Hinkle’s Prime Cut Angus (HPCA) sale book and you’ll find more than expected progeny differences (EPDs) and genomic profiles. There’s a carcass data record showing his bull customers’ past feedlot and rail performance. It’s a story of how Hinkle genetics add value to the person next in line.

“It’s important to us because it’s important to our commercial customers,” he says. “Some years the only way these guys make money is by feeding these cattle, and it’s because these cattle feed well.”

“I know I’ve hit my mark when I see my customers’ kill data,” he says. “I’ve got the genomics, the ultrasound numbers, but nothing shows success like that individual performance data.”

Words like “maternal” and “terminal” aren’t what Hinkle will use to describe his program. It’s a collective mission to produce a calf that comes easy and grows rapidly with the genetic capacity to excel in performance and profitability at every point in the chain.

“Some people call them carcass cattle; I just call them good cattle,” he says. “Don’t tell me we can’t raise cattle in this breed that do everything and still have marbling.”

Editor’s note: A more in-depth feature is available in the October 2018 *Angus Journal*.