

AngusSource Success

As AngusSource sales continue to grow, these participants share the benefits being gained by buyers and sellers.

Story by
KINDRA GORDON

Since its inception just two years ago, the AngusSourceSM program — with its distinctive white tag identifying Angus genetics — has grown in numbers and in support. Initiated to differentiate cattle of known Angus influence from other black-hided cattle, more than 58,000 tags have been sold since fall 2003.

But the AngusSource program does much more than visually identify Angus genetics; it also provides a historical record of information about the animals' origins, their genetic backgrounds and how they were managed. And, true to the phrase that "knowledge is power," bringing all that data together is proving to add value to the commercial Angus package.

Kim Leeper, who manages Mule Creek Ranch, a 950-head commercial Angus operation near Wilmore, Kan., with his wife, Sharon, calls the information that goes along with the AngusSource program "invaluable" for his customers and says that by knowing the genetics and background on animals, "That is where predictability comes from."

Mule Creek Ranch has consigned more than 100 Angus females for each of the past two years to the GAR-Influenced Profit Proven Commercial Angus Replacement Female Sale at Pratt, Kan., where cattle influenced by genetics from Gardiner Angus Ranch are sold. Leeper says the response to the offering has been phenomenal — as proven by the numbers. In 2004, he sold 25 bred heifers through the sale for \$1,600 per head. The entire sale, with 1,001 head consigned by nine commercial ranches, attracted 27 buyers from eight states and grossed \$1.3 million for an average of \$1,331 per head.

Leeper adds, "The AngusSource tags are a tool that really adds value to that sale, but there are several other tools that also add value, such as the use of AI (artificial insemination) genetics, freeze-branding and certified health

programs. However, there is one thing that the AngusSource program adds to the sale more than value, and that's integrity. As far as I'm concerned, that is one of the highest values we can have."

How it works

Enrollment in the AngusSource program costs \$1 per head and is open to feeder calves or replacement females that are sired by Angus bulls. Program cattle receive ear tags customized with numbers for in-herd use, and each tag bears codes indicating state and herd of origin, as well as an identification (ID) number for each individual animal.

Each tag number is stored in an online database where producers can record information about genetics, management protocols and individual group performance to create a marketing profile for their cattle. Potential buyers of Angus-influenced feeder calves, stockers or replacement females then have access to that information via the Internet and a weekly e-mail service.

For fiscal year (FY) 2005, 19,387 AngusSource tags were sold by Feb. 1, which is more than double what was sold in the same period the previous year. Much of that growth is attributed to the production information that can be used in management, which is also becoming more imperative for source-identification purposes.

For instance, because only the original owner can enroll cattle in AngusSource, it is a means of documenting source of origin and age. As more buyers look to verify age in order to make cattle eligible for the anticipated resumption of trade with Japan and other countries, the AngusSource program is in step with those requirements. Proponents also say AngusSource's information trail is a step toward complying with the National Animal Identification System (NAIS) and other verification programs.

Favorable feedback

The *Angus Beef Bulletin* visited with several buyers and sellers who

have been involved with this unique program. Here they share their comments on why they believe AngusSource has seen success.

Jennifer Giles of Ashland, Kan., calls the program "peace of mind" for buyers, saying, "The AngusSource tags give buyers peace of mind on the history of a calf's genetics and management." Jennifer and her sisters represent the third generation to ranch with her father, Roger Giles, and grandfather Norman Lee at Giles Ranch Co., a commercial operation numbering more than 1,200 cows.

In 2002, Giles Ranch; Marc Krier, Ashland, Kan.; and Merrill Ranch, Wilmore, Kan., were the first consignors to be part of the Profit Proven sale. Jennifer explains that at that time, drought prompted them to reduce their herd numbers by one-third; Krier was dispersing altogether. She reports that response to the Angus offering was extremely positive, so a second sale was planned the following year with additional consignors. This time, all animals also had AngusSource tags,



so the genetic information on the females could easily be traced.

Since then, the annual sale has continued to grow and today includes consignments from Giles Ranch Co. and Mule Creek Ranch, as well as Merrill Ranch; Irsik Ranch, Ingalls, Kan.; XIT Ranch, Plains, Kan.; McCloy Ranch, Harding Co., N.M.; JO Cattle Co., Springer, N.M.; McCarty Land & Cattle, Ashland, Kan.; and K Ranch, Garden City, Kan. Gardiner Angus reimburses all consignors for the AngusSource tags.

Jennifer reports that the future goal is to keep the sale going and
(Continued on page 16)

"The AngusSource tags give buyers peace of mind on the history of a calf's genetics and management."

— Jennifer Giles

AMERICAN ANGUS ASSOCIATION — THE BUSINESS BREED
3201 Frederick Avenue • St. Joseph, MO 64506 • (816) 383-5100 • Fax (816) 233-8703 • E-mail: angus@angus.org

Commercial Programs Sales AngusSource Beef Record Service Bull Listing Service Feedlots

AngusSource - Feeder Cattle Report

State/Country	Name/Ranch	Cow Herd	Breed Makeup	Head Class	Avg Wt.	Calved
Colorado	(Click name for details.)	Angus	150 Steers	550	Mar - Apr	
		Limousin	150 Heifers	500	Mar - Apr	
		Simmental				
% Blk Hides: 95						
Comments: Majority are candidates for Natural program, can pull off 7 head that have had antibiotics as baby calves. Run on open range from May to Sept at elevations of 8900 to 8300 ft in Rio Blanco & Garfield County of CO. Call for more information.						
Indiana	(Click name for details.)	Angus	7 Steers	450	Feb - Apr	
		BWF	5 Heifers	475	Feb - Apr	
% Blk Hides: 100						
Comments: Call for more information.						
Kansas	(Click name for details.)	Angus	35 Steers	525	Mar - Apr	
		BWF	15 Heifers	475	Mar - Apr	
% Blk Hides: 100						
Should fit "Natural" beef programs						

AngusSource Success (from page 15)

“Reputation is still a huge issue when selling cattle. But, as time goes by, information needs to go along with reputation to provide the keys for adding value to customers’ cattle.”

— Marty Hultman

growing. “We offer quality genetics and quantity in uniform sets. There’s been a lot of buyers from the Southeast, as well as in Colorado, as herd numbers begin being built up after the drought,” she says.

“Buyers there know that the people selling in that sale can be trusted, and the AngusSource tags are an information hotline that goes along with them,” adds Leeper, who began consigning to the sale

in 2003. Leeper, who AIs all of the females in the 950-head Mule Creek herd and formerly sold females private treaty, adds, “This has been a way to capture return for our genetics.”

The herd has built a reputation, and its calves have been sought by the same buyer the last two years. Even though his calves are already in demand, Leeper says he will tag all of his steer calves in addition to the heifers in 2005. “I think it is important for our genetics to have the AngusSource tag, and it is a way they can be traced beyond here,” he explains.

Similar to the Profit Proven sale, Summitcrest Farms, Summitville, Ohio, has hosted a commercial female sale in Lexington, Neb., in November for seven of its customers the past two years. Summitcrest pays for the AngusSource tags for the consignments, which have included about 700 females in 2003 and 600 in 2004.

Summitcrest’s Marty Hultman says he sees the value of the AngusSource program in the information it provides. “Reputation is still a huge issue when selling cattle. But, as time goes by, information needs to go along with reputation to provide the keys for adding value to customers’ cattle,” he says.

Terry Enfield, Arthur, Neb., has consigned to the Summitcrest sale the last two years. Previously he sold private

Value added to

Among feeder calves, interest in AngusSourceSM offerings has continued to be high, and a few sale barns across the country have hosted special AngusSource sales. Producers can also have their offerings listed on the AngusSource Web site, with e-mails broadcast to a database of prospective buyers.

Kaycee, Wyo., ranchers Hugh and Trisha Turk and their sons Reo and Gus enrolled their feeder calves in the AngusSource program for the first time in 2004, seeing it as a tool to add value to their Angus genetics. The diversified ranch operation includes Hugh’s parents and his brother’s family.

The Turks breed their 300-head commercial cow herd to registered Angus bulls and wanted to draw attention to the quality genetics they represented. “We’ve raised straight Angus here for 70 years and get frustrated with other black-hided beef,” Hugh says. “We see the AngusSource program as a way to distinguish our calves.”

Previously, the Turk family sold their calves through the local auction market, as well as through video sales. In 2004 they discov-

treaty and says consigning to this sale has been a way for him to be exposed to more buyers and to bring more dollars back to the ranch.

That's precisely what Summitcrest wants for their customers. Hultman says, "AngusSource sets these females apart from other cattle that don't have documented information. We want our customers to be able to earn added value for their genetic investment, and through the AngusSource program they are able to offer a source-identified product."

Long-term, Hultman also believes the traceback capability of the AngusSource program is better preparing producers for the future. "[Traceback] is not going to be the exception. It will be the rule. We tell our customers that the better traceback and information they have documented, there will be no catch-up to do."

Buyers' viewpoints

For Kansan Jack Jones, the genetic quality represented by Leeper's commercial herd is what prompted him to buy the Mule Creek Ranch's AngusSource bred females — for \$1,600 a head — at the Profit Proven sale last fall. Jones, who works as an order buyer (more than 18 years of which were with Pratt Feeders, Pratt, Kan.), says he's seen how important quality grade is.

"I know the genetic background on

the Mule Creek herd. They are striving to reach the carcass performance goals I am after. ... I knew if I was going to get in the cow business that's the kind of people and herd history I want to work with," Jones says.

As a buyer of AngusSource females for the last two years, Rob Sellard of Bucklin, Kan., also believes the background information that comes with the animals

he's purchased is a worthwhile investment. "I really believe the industry is moving toward reputation cattle and identification. It is what the consumer wants. Hopefully, feeders, packers and retailers will recognize that and pay us for it in our calves," Sellard says.

Sellard has purchased females from Giles Ranch at the Profit Proven sale the past two years and is currently getting

enrolled in the AngusSource program so he can enroll his own feeder calves in AngusSource this year. He's hopeful the effort will garner him some extra value when he goes to market the calves at the auction barn next fall.

Sellard says, "We see it as a long-term investment that we believe will bring more return back to our ranch."



feeder calves

ered that through the AngusSource Web site and e-mail promotions, their calves could be exposed to a broader base of buyers. As a result, a new buyer purchased their cattle this year, and, because of the genetic history provided on the calves, enrolled them in the Creekstone Farms Premium Beef program.

Hugh says they were pleased with the program, and they'll definitely enroll calves in AngusSource in the future. "In the commercial business the only way to improve economic opportunities is to improve the quality of your calves, and then the next step is to get somebody to recognize and pay for that," he says. "AngusSource is helping do that."

