

Association Link



CAB packer raises premium

Maybe you've considered raising cattle for the *Certified Angus Beef*® (CAB®)

Natural market, but worry about what you'd have to give up. Many producers found they could afford to skip growth implants and antibiotics, but those on the fence have new incentives as of Sept. 1.

That's when BC Natural (BCN) Foods, the licensed packer for CAB Natural, will raise the premium offered for natural cattle from \$5 per hundredweight (cwt.) to \$10 per cwt. Neal Odom, BCN director of calf and feeder procurement, says the premium is available for all "natural" cattle finished in CAB-licensed feedlots.

Cow-calf producers are the key to future supplies, but Odom says unpredictable prices can lead them away from retained ownership in the feedlot. BCN offers tools to help producers manage this risk.

"We can put a floor under the finished cattle grid that leaves the upside potential in the market, along with all the component premiums and

discounts. It's a high enough floor to allow retained ownership with very little risk," Odom says.

What's more, BCN will help producers market their cattle, even if retained ownership is not in their plans. "We are continually building a network of stocker operators and cattle feeders who are interested in partnering or purchasing any cattle that will fit into our natural program," he adds.

The CAB Natural licensee took these steps to stimulate greater supply, Odom says. "The demand for natural beef products is growing so fast that it is difficult to satisfy everyone at current production levels."

The all-natural production criteria are simple: no implants, no antibiotics (including fed antibiotics) and no fed animal byproducts. The first and last requirements are simplest. "If a calf needs treated we definitely want producers to give it that attention," Odom says. "They just need to identify it so that we know it no longer qualifies — we can market it through other channels."

A producer can fill out a "Natural Affidavit" for a group of cattle at any time, "But the further people plan ahead, the more successful they will be in our program," Odom says. "There are questions we need to ask to get accurate information to the buyer, stocker or feedlot."

Producers can gain profits on other grid requirements outside of the natural component, too. Hide brand location, quality grade, carcass weight, ribeye area, backfat thickness, kidney-pelvic-heart (KPH) fat percentage and Angus influence create additional premiums or discounts.

While the latest premium increase only affects the natural grid area, Odom says it can make a big difference on net profits. "With the 5¢ increase, a 750-lb. carcass can receive an additional \$75 just for showing up at the dance," he points out. "That speaks volumes for a lot of producers."

CAB Natural brand products, which meet all CAB specifications in addition to the natural criteria, are produced at BCN's Coleman Natural Meats plant in Limon, Colo., and its B3R Country Meats plant in Childress, Texas. For more information on any aspect of the supply chain, contact Odom at (940) 585-6328 or (940) 937-3668.

come from 18 states, Georgia to Idaho and North Dakota to Texas, being fed in 28 CAB-licensed feedlots.

Leading all feedlot partners in number of entry pens was Gregory Feedlots, Tabor, Iowa, with 24. In a close race for second-place volume was Darnall Feedlots, Harrisburg, Neb., with 14 pens and Beller Feedlots, Lindsay, Neb., with 12 pens.

Greater volume of entries can mean a greater chance of winning, and in the early going, Darnall and Gregory dominated the leaderboard in steer and heifer categories, with entries from Nebraska and Wyoming.

Participating CAB-licensed packers included Tyson Fresh Meats in Denison, Iowa; Swift plants in Greeley, Colo., and Grand Island, Neb.; Excel plants in Schuyler, Neb., and Fort Morgan, Colo.; National Beef plants in Liberal and Dodge City, Kan.; and the Greater Omaha (Neb.) plant.

"We are pleased to see this level of participation from across the country and involving more than a third of the CAB partner feedlots," Schoenbine says. With thousands of NACC entries still on feed, no one can say whether any of the current leaders will be able to maintain those standings through the end of the year, but some have set a high mark.

"There are 26 harvested entry pens so far that are at least 90% (USDA) Choice or better, and a couple are 100%," Schoenbine says, "but there is more to the contest grid than quality grade. Some of the highest marbling groups also have some discounts from Yield Grade 4s, which count against them in the rankings."

NACC is sponsored by CAB, *Drovers* magazine, the American Angus Association's Beef Record Service (BRS), Farnam Co., Merial and John Deere FoodOrigins Inc. At stake are more than \$30,000 in cash and prizes, a John

Deere 4x4 Gator, a wealth of knowledge about carcass values and the spotlight of the winners' circle on award day at the National Western

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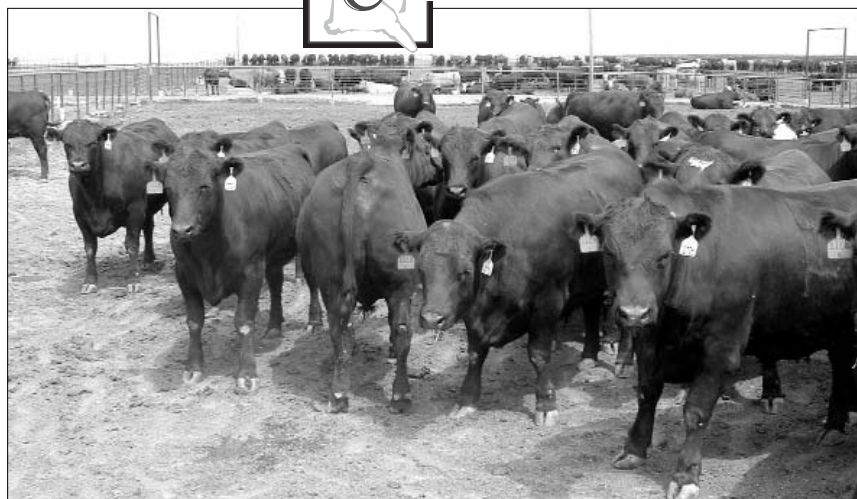
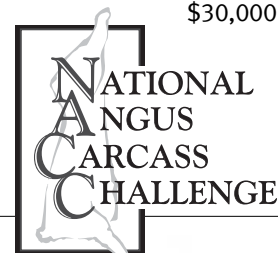
NACC enrollment rises

More than 5,200 Angus-based calves were enrolled in the 2004 National Angus Carcass Challenge (NACC) as of July 19, reports Rod Schoenbine, Certified Angus Beef LLC (CAB) producer programs coordinator. An original enrollment goal of 5,000 entries was passed just halfway through the calendar year.

"A lot of these were calf-fed, and we already have at least some harvest data on 75 groups," he adds. There are significantly more steers than heifers enrolled, 86

pens vs. 24 pens, Schoenbine reports, with 2,287 steers and 534 heifers harvested.

Enrollment pens of at least 40 steers or heifers have



The NACC passed its enrollment goal of 5,000 halfway through the calendar year.

(PHOTO BY STEVE SUTHER)

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Stock Show (NWSS) in Denver, Colo., next January.

For more information on entering the 2004 or 2005 NACC, visit www.cabfeedlots.com, or contact Schoenbine at (330) 345-2333 or rschoenbine@certifiedangusbeef.com.

National Angus Conference and Tour Sept. 14-17

Start finalizing your plans to attend the 2004 National Angus Conference and Tour, set for Sept. 14-17 in Roanoke, Va. This year's theme is "Continuing the Angus Advance."

The event will include Angus Information Management Software (AIMS) and Web marketing workshops,

plus the conference program. The two-day tour is hosted by the Virginia Angus Association and will be a great opportunity to explore local Angus herds and see some historic sites.

A special insert featuring a registration form and conference schedule, as well as information on speakers and tour stops, was included in the July *Angus Journal* and is available online at

www.nationalangusconference.com. Register at the door for \$100.

Angus Productions Inc. (API) will provide real-time coverage of the event at www.nationalangusconference.com. This service is sponsored by Agrilabs and Titanium® vaccines. Producers can log on to download audio archives, synopses and photos of the event.

Fall sire summary available online

The fall 2004 Sire Evaluation Report and updated expected progeny differences (EPDs) from the latest National Cattle Evaluation (NCE) were released July 12. Enhancements on EPDs, interim EPDs and accuracy values are included with the new release.

To view the latest Sire Evaluation Report online, go to www.angussiresearch.com. In addition to the online and printed versions, the report is available on CD-ROM for \$25, or as a computer printout for \$15.

AngusSource adds electronic option

An electronic identification (EID) option has been added to the AngusSource program. Producers participating in AngusSource will still be able to purchase the \$1 Allflex visual tag for program participation. However, the new option will allow producers to purchase a matching pair (a visual tag with an EID tag) for \$3.25.

Questions on AngusSource and the EID tag options can be directed to Brenda Schafer at bschafer@angus.org.

API receives awards

API received many awards at the annual Livestock Publications Council (LPC) Critique Contest hosted in conjunction with the Agricultural Publications Summit (APS) July 25-28 in Tampa, Fla. In the general excellence division, API staff earned two first-place awards and one honorable mention. The editorial team of the *Angus Journal* and *Angus Beef Bulletin* received a first, three seconds and two honorable mentions for efforts in writing, design and photography. The Web Marketing Department earned three first-place plaques and three seconds. A sale book put together by the Special Services Department was recognized with an honorable mention.

Steve Suther, director of industry information for CAB, won the Diamond Award, which recognizes the year's top overall writer. To win this award, he first won the Peerless Award given to the top writer in the service member category. He competed against the Peerless winner from the publications member category to win the overall award.

Among his individual achievements, he garnished multiple first-place and second-place awards as well as honorable mentions.

To read critiques from these top entries and more, go to www.livestockpublications.com and click on "Critique Contests Results" at the top of the Web page.