

Balance Wins

State feedout results highlight contrast in nation's fed-cattle population.

Story by
MIRANDA REIMAN

Data from feedout programs across the United States proves an old cattleman's rule of thumb: Balanced selection reaps rewards.

Certified Angus Beef LLC (CAB) analyzed performance, carcass data and values on more than 10,000 head enrolled in five university value-discovery programs. That includes Iowa's Tri-County Steer Carcass Futurity (TCSCF), which accepts cattle from 14 states, so nearly 20 are represented in the 2007 data.

A standardized grid showed a spread of \$375.91 per head between the top five and bottom five groups. That was in part due to a 271-pound (lb.) range in hot carcass weight (HCW), but most of the lowest-ranking cattle took severe discounts for their low quality grades.

"This is just another way to illustrate the vast differences that exist in the U.S. cattle population," says Mark McCully, CAB director of supply development. "We found that some cattle excelled because of quality, others because of weight, but those that combined both were the real standouts."

The grid that was applied to all cattle for the analysis has roots in the National Angus Carcass Challenge (NACC), which ran from 2003 to 2006, and started with a \$100-per-hundredweight (cwt.) base. Premiums and discounts were consistent with industry measures; a Choice Yield Grade (YG) 3 was par. The only notable deviation was a "sweet spot"



"We put quite a bit of money into our herd, so we want to feed them out and do good, rather than losing that investment," says Jeremy Johnson (right), who ranches with his brother Nathan (left), father and uncle near Cando, N.D. [PHOTO COURTESY JEREMY JOHNSON]

that rewarded carcasses from 650 pounds (lb.) to 850 lb. Discounts applied when weights dipped below 600 lb. or crept above 950 lb.

Topping the groups

The top pen racked up an average carcass value of \$875 on eight head (see Table 1). That was a premium of \$164.25 above the average of all 368 lots included in the analysis.

Every one of Leon Callahan's calves made Choice, with 86% qualifying for the *Certified Angus Beef*® (CAB®) brand. It was the eighth time that the Beaver Dams, N.Y., producer sent cattle to Cornell's New York Feedlot and Carcass Value Discovery Program.

"One year I retained my steers and couldn't find a market for them locally," he says. "I didn't think I got

the value out of them that I'd put into them by just going to the local livestock auction."

From then on, he's enrolled most of the progeny from his small Angus-Simmental cow herd in the program. Callahan also says the feedback he gets on his cattle helps him make decisions for the future, such as culling and bull buying.

Other producers in the top five cited market access, data return or both as reasons for getting involved in a state program.

David and Tommy Hayward, of Grenada, Miss., work closely with their state Extension office to send cattle to the TCSCF. They took second and fourth place based on respective carcass values of \$842.01 and \$838.89 — and that was on five loads of calves.

The brothers manage the herd their parents started, a three-breed rotation with Angus, Charolais and Gelbvieh, although they're working to phase out the latter.

"They convert good, but they don't grade," David Hayward says. "By sticking with the other two breeds, we're able to get both the muscling and the carcass traits."

The characteristics of their top entries highlight those breed differences. The second-place cattle came from heifers and had the

Table 1: Top five and bottom five groups in summary of value discovery programs

Ranch	Days on feed	Feedlot ADG, lb.	Out wt., lb.	HCW, lb.	Yield Grade	% Ch & Pr	% CAB	Carcass value, \$
Top five groups ranked by carcass value:								
Producer A	169	3.40	1,291.80	840.00	3.29	100	86	875.71
Producer B	168	4.10	1,391.63	855.57	3.35	74	12	842.01
Producer C	197	3.63	1,354.40	852.50	2.94	50	0	839.79
Producer D	132	4.19	1,426.97	877.02	2.96	51	2	838.89
Producer E	155	3.41	1,273.19	799.00	3.28	100	66	836.77
Averages	164	3.75	1,347.60	844.82	3.17	75	33	846.63
Bottom five groups ranked by carcass value:								
Producer V	100	2.54	1,023.48	620.61	2.49	44	0	583.36
Producer W	186	3.12	1,027.74	621.44	2.34	94	56	571.13
Producer X	183	2.27	1,071.58	636.00	2.81	40	0	557.04
Producer Y	206	2.88	1,034.95	625.00	1.90	0	0	549.01
Producer Z	113	2.21	980.25	605.50	2.38	0	0	499.80
Averages	157	2.61	1,028.00	621.71	2.00	36	11	552.07

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— Mark McCully

highest amount of Angus influence.

They earned their place on the chart with 73.6% Choice and 12% CAB.

Hayward's fourth-place herd mates were only 50.9% Choice and 2% CAB.

Both sets had the heaviest carcass weights of the top listing, at 855 lb. and 877 lb.

“We don't want to get too extreme on anything,” Hayward says, noting they've placed more emphasis on marbling lately because they have retained ownership for the last dozen years.

“Raising cattle, if they're not going to work for us in the feedlot, they're sure not going to work for anybody else,” he says. “We try to make a little bit more money by feeding them.”

Sandwiched between Hayward's groups is another set of cattle that made 50% Choice, but carried almost as much weight, with carcasses averaging 852 lb.

“That shows us weight is still important, but it's really having pounds of quality beef that makes the best combination,” McCully says. “Research shows consumers pick beef on taste, and the best indicator of flavor potential is quality grade. If we are to grow demand for beef, we need to continue increasing quality grade as we make gains in efficiency and performance.”

Rounding out the top five is another cattle family that gets more bang for their buck by following steers through harvest.

“We put quite a bit of money into our herd, so we want to feed them out and do good, rather than losing that investment,” says Jeremy Johnson, Cando, N.D. He works with his brother, dad and uncle on the ranch that his grandfather started.

This year they're retaining all their steers and feeding them through the Eastern Dakota Cattle Feedout Project. In 2007, they just enrolled a sampling that went 100% Choice and 66% CAB.

“We sent a calf from all of our bulls,” Johnson says. “I look through the data to see if there's something that catches my eye.”

Johnson learned progeny from one bull didn't marble, so they quit using him and considered that when breeding his daughters.

“My family always bought the best cattle they could afford, so we've just built off of that,” he says. They haven't bought an outside female in 30 years, so they make improvements to that consistent base through bull and replacement heifer selection.

“We pick them, and they do the work,” says Johnson of his cows.

McCully says some of the standouts

really show what's possible for producers trying to do it all.

“At rates two and three times the national average for CAB acceptance, it's clear that the right genetics and management can produce consistent results that bring home more money,” he says.

The top cattle generally excelled for weight and carcass quality, compared to the lowest-valued cattle. More than 223

lb. separated the average carcass weights of the two groups.

The highest-valued cattle also had greater average daily gains (ADG) than any of the animals in the bottom group. They posted an overall 3.75-lb. ADG, more than a pound better than the bottom set's 2.61 lb.

Cattle at any level will benefit from the collected information if producers use it to effect change, McCully says.

“They're already on the right track by participating in these value-discovery programs,” he says. “The next step, which some are taking now, is to adjust management and genetics to hit their goals. Benchmarking those results each year is a good way to keep a finger on the pulse of how your cattle perform beyond the ranch.”