

ANGUS

BEEF BULLETIN®

"The Commercial Cattleman's Angus Connection"

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Group Effort Yields Highest of the High



With encouragement from their bull supplier, Kentucky producers use AngusSource® and truckload marketing to top the market.

Story & photos by
BECKY MILLS

What do you get when you combine purebred breeders with a gift for mentoring; producers who are willing to commingle their cattle for marketing; and a reputable age-, source- and breed-verification program? This past spring, \$156.60 a hundredweight (cwt.).

The story started around 20 years ago with Charles and Jere Cannon of Stone Gate Farms. They announced at their semi-annual bull sale that they would sell feeder calves sired by their bulls as a group. The Flemingsburg, Ky., Angus breeders ended up selling 600-700 calves annually for their customers.

The group ebbed and flowed, however, and many of their customers ended up selling at Kentucky's popular Certified Preconditioned for Health (CPH) sales.

From there, Maysville, Ky., brothers Ronnie and Jerry Lowe evolved to putting together truckload lots of calves with their neighbors and selling them in video sales through Blue Grass Stockyard.

It was about this time, around 10 years ago, that the Cannons encouraged the group to enroll their calves in AngusSource®, an American Angus Association program that provides tags to producers who can verify the age and source of their calves, as well as proof they are at least 50% Angus.

It was an obvious recommendation for the Cannons.

"AngusSource is a way to add value to cattle and make a premium," Jere says.

"The producers we work with are real progressive people," Charles says. "Anything that will help them make more money they will try."

"There was a learning curve at first,"

says John Hedger, also from Maysville, who is one of the producers who commingles his calves with the Lowes' cattle. At the time, AngusSource was a relatively new program and both the Angus Association employees, and Lowe and Hedger were learning as they went.

The Cannons, including Charles' wife, Frances, and Jere's wife, Mary Jayne, helped with phone calls to Angus headquarters, as well as sent faxes and provided bull information.

A tight ship

"Now the AngusSource people are a pleasure to work with," Hedger says. However, he adds, "They are conscientious about their job and run a pretty tight ship. Anybody that buys AngusSource cattle can be assured they are getting what they pay for."

The producers who commingle their cattle also run a tight ship. Although it

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Above: Angus breeders Charles and Jere Cannon helped their commercial customers get their feeder calves enrolled in the AngusSource program.

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Group Effort Yields Highest of the High *(from cover)*

is not a formal group, they have a number of requirements. Quality Angus genetics are a given. In addition to being enrolled in AngusSource, Hedger says, "We try to limit the group to calves sired by Stone Gate bulls because of the genetics. The calves are bigger when we wean them, and the cattle just work."

The herds involved, which also include James Sanders and John and Jim Rice, are all on the same breeding and calving schedule, too. Calves are born in March and April, weaned in September and October, then preconditioned using Pfizer's Vac 45 program and backgrounded until the March sale when most of them weigh around 800 pounds (lb.).

The ability to market uniform, top-quality calves in truckload lots is one of the biggest advantages for the producers. Although Lowe manages 450 cows, he still says it is a benefit to be able to commingle his calves with those from smaller operations.

"Sometimes we run over a load and have a piece of a load left. We can take theirs and put with ours," he says.

Also, even with a 60- to 90-day calving season, there is a weight gap between the first- and last-born calves. Lowe can use the calves from the smaller operations to make loads of calves that weigh almost the same.

"Uniformity is best," he states.

Hedger, who has a 90-cow herd, says, "It helps the smaller producers like myself sell a potload. Buyers do pay more when they can buy 50,000 pounds."

He also says selling by the truckload means smaller commissions compared to selling calves one at a time. In their Internet sales, Blue Grass Stockyards charges them around \$13-\$14 per head.

Hedger adds, "There is no aggravation to commingling." All of the producers in the group live within 5 miles of the Mount Sterling stockyard, one of Blue Grass Stockyards'



John Hedger (left) depends on Angus breeder Charles Cannon for the Angus genetics he needs to make his cattle eligible for AngusSource. Hedger commingles his Angus-sired calves with those from other producers so he can market in truckload lots.

satellite operations. They simply haul their calves to the stockyard where stockyard workers weigh and sort them into truckload lots for delivery to the buyers.



Tim Gayheart, manager of the Mount Sterling stockyard, says the producers are taking the right approach. He says the price per hundredweight for cattle sold in uniform truckload lots often beats that of cattle sold in single-head sales by as much as \$10.

He also says USDA process-verification programs (PVP) like AngusSource are money makers. "Any PVP will help you, especially with Internet and CPH sales. The premium will vary from \$5 to \$15 depending on the size of the cattle."

Hedger says their cattle, and their method of selling, must meet with the approval of the buyers. Pineland Farms Natural Meats, a New Gloucester, Maine,-based company specializing in Choice or higher all-natural beef, has been a repeat buyer for the last three or four years.

And as Ronnie Lowe states, "We get the highest of the high."



From left, Mary Jayne, Jere, Frances and Charles Cannon urged their bull customers to enroll their feeder calves in the AngusSource program.

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3201 Frederick Ave. • Saint Joseph, MO 64506-2997
phone: 816-383-5200 • fax: 816-233-6575
office hours: (M-F) 8 a.m.-4:30 p.m. (Central time)
web site: www.angusbeefbulletin.com

Staff are listed by name, phone extension and e-mail prefix. All direct phone numbers are "816-383-5..."; all e-mail addresses are "...@angusjournal.com"

General manager – Terry Cotton, 214, tcotton

Editorial Department

Editor – Shauna Rose Hermel, 270, shermel;
Associate editor – Kasey Miller, 277, kaseymiller;
Assistant editor – Linda Robbins, 245, lrobbins;
Artists – Craig Simmons & Mary Black

Field editors

Barb Baylor Anderson, 305 Valley View Dr., Edwardsville, IL 62025, 618-656-0870, anderagcom@sbcglobal.net; **Kindra Gordon**, 11734 Weisman Rd., Whitewood, SD 57793, 605-722-7699, kindras@gordonresources.com; **Becky Mills**, Rt.1, Box 414, Cuthbert, GA 39840, 229-732-6748, beckymills81@yahoo.com; & **Troy Smith**, 44431 Sargent River Rd., Sargent, NE 68874, 308-527-3483; wordsmith@nctc.net

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AngusSource® and Gateway

To find out how to enroll your calves in AngusSource®, see www.angussource.com or call 816-383-5100.

If your calves aren't at least 50% Angus genetics but you'd still like to participate in a USDA process-verified program (PVP), the American Angus Association offers a second tier of the AngusSource program called Gateway, which verifies age and source only.

The enrollment fee for AngusSource or Gateway is \$50. Visual tags are \$1 each and RFID tags are \$2.25.

When the enrollment and verification process is complete, both AngusSource and Gateway calves can be listed for sale on the AngusSource/Gateway Cattle Listing site and emailed out to nearly 600 potential buyers.