

# Feeding Quality Forum Informs



***International markets, the economy and health claims were just a few of the issues discussed at the recent Quality Forum.***

Story by  
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More than 150 cattle feeders and allied professionals gathered at the recent Feeding Quality Forums to broaden their horizons and discuss issues related to quality beef production.

The meetings, Nov. 11 in North Platte, Neb., and Nov. 13 in Amarillo, Texas, were co-sponsored by Pfizer Animal Health, Certified Angus Beef LLC (CAB), *Feedlot* magazine and Land O' Lakes Purina Feed.



Chandler Keys

Rod Nulik, marketing manager for Purina, opened the program with an illustration of miscommunication. He encouraged open dialogue with the speakers — a request that was eagerly met when Chandler Keys, vice president of government and industry relations for JBS Swift, took the floor.

When the Brazilian Batista family bought Swift & Co. last year, it made headlines. The name was fairly unknown among producers, and Keys made an effort to acquaint forum-goers with the owners' philosophies and management style.

"At the end of the day, this is a meat family," he said. "They believe that their money will come from running packing plants efficiently and effectively, putting capital into those plants where needed and then running them harder and better than the competitors."

Keys said keeping Swift as a viable packer is a win for the industry, and that their commitment to marketing beef is unparalleled.

"They want to compete, and they want to sell beef globally," Keys said, citing interest in such markets as Italy, Russia and Africa.

#### **More international focus**

International talk continued with

Mike Sands, chief economist for Informa Economics, who addressed competing demand for inputs and land.

"I don't think the current run up in commodity prices is just a fad. This time around it's a little different," he said. "Over the past two or three years, we've probably added about a billion people to the worldwide middle class. That's exerting a demand on resources that I don't think is going away."

The cow herd is shrinking, and feedlot capacity will continue to be a huge challenge, he said.

Speaking to the meat side of the business, Sands explained past recessions have not caused weaker beef demand, and the current grading trends have increased expectations.

"The industry has gotten accustomed to a fairly high level of quality, relative to history, and they're not going to be ready to compromise," he said.

#### **Focus on management**

Pfizer veterinarian Robin Falkner said feeders can best reach those higher quality grades and profits by managing pathogens.

"I want to maintain performance in whatever cattle I buy," he said. "If I buy cattle that can make *Certified*



Mike Sands

*Angus Beef*® (CAB®), I want them to make CAB. I don't want something to happen to them in my feeding or health that takes that away from them."

To maximize profit, producers must evaluate their operations to reduce disease risk before it becomes a problem.

"We don't know what the true cost of a health problem is because it impacts so many of our business decisions," Falkner said.

In North Platte, Galen Erickson,



Jason Sawyer

University of Nebraska Extension feedlot specialist, addressed the effect of corn price on yearling and calf-fed profitability.

“All things being equal, if corn price goes up, it does favor yearlings,” he said. That advantage grows when distillers’ grains and other cheaper feedstuffs are used, but the \$45 to \$80 boon only goes to the postweaning owner.

“Keep in mind the feed conversion gets worse as cattle get bigger before they enter the feedlot,” Erickson said. “If you’re just buying a yearling to finish, the feedlot economics may be dramatically different. As cattle get bigger, that cost of gain can really jump up.”

Jason Sawyer, associate professor at Texas A&M University (TAMU), covered that topic in Amarillo, noting that with quality grade taken into account, producers can make more money feeding cattle to heavier weights.

The program ended with a presentation called, “What if it has all been a big FAT lie?”

Speaking at the Nebraska session, author Gary Taubes challenged current human dietary recommendations; TAMU meat scientist Stephen Smith did so in Amarillo.

Taubes, who wrote *Good Calories, Bad Calories*, said the idea that it’s healthier to eat less red meat is based on suspect science.

“We started out with this simplistic hypothesis: fat raises cholesterol raises heart disease. The experts locked

themselves into a perspective from the 1970s,” he said. “As the science evolved, it meant the advice had to change, but if you change the advice you’re saying, ‘Look we made a mistake when we told you to go on a low-fat diet 30 years ago.’”

Smith’s research shows differences in beef fat. Better-marbled beef is healthier than its Select and lower-grading alternatives, for example.

More marbling means more oleic acid and less of the potentially harmful saturated and trans-fatty acids, he said. Although most external fat is trimmed in processing, that over the brisket has a much healthier profile than other trim and could be strategically included in ground beef, Smith added.

He also addressed the notion that grass-fed beef is healthier than grain-fed

due to higher, but still minute amounts of omega-3 fatty acids. “Beef is simply not a reasonable source of these,” Smith said, explaining that eating fish is the best way to include omega-3s in the diet.

Presentations from the event can be found online at [www.cabpartners.com/events/past\\_events/index.php](http://www.cabpartners.com/events/past_events/index.php).



Stephen Smith