

# A Game of Inches

*Make the most of quality in the last 30 days.*

Story by **MIRANDA REIMAN**

At the ranch, breeding programs were carefully selected. Weaning was done months ago, and health programs were coordinated with the feedlot. Implanting strategies and nutritional guidelines have been according to plan. Now it's a game of inches.

When should a feeder sell cattle to maximize efficiency, minimize yield grade issues and reach the highest possible percent U.S. Department of Agriculture (USDA) Choice and Certified Angus Beef® (CAB®) brand acceptance?

"When you're at the 0.3 inch (in.) fat cover and below, you'll often have quality grade levels that are in that 35% to 40% Choice and maybe only 4% or 5% CAB acceptance rate," Larry Corah says. "The ideal window — per animal and on average — is right about 0.5 to 0.6. In that window they have marbling potential to achieve 60% to 70% Choice and in excess of 20% CAB acceptance."

The vice president of supply development for Certified Angus Beef LLC (CAB) reviewed the company's dataset and packer surveys to find that window in which CAB premiums outweigh discounts.

After 0.6 in. backfat, cattle become too fat, and many have yield grade (YG) 4 and 5 carcasses, Corah says, noting it's a careful balance between enough marbling and too much external fat.

**"As soon as they get the cattle in, they need to be thinking about the end."**

—Kelly Bruns

Kelly Bruns, South Dakota State University (SDSU) animal scientist, says the biggest challenge is dealing with the outliers in the pen.

"Traditionally we've done that with topping off pens and selling those cattle that are market ready a bit earlier," he says. "In a commercial setting, that doesn't always work well, simply because you lose some yardage, and it takes extra time and labor. So getting more-uniform groups of cattle coming in becomes important."

Bruns suggests keeping cattle from the same ranch of origin together.

"We find there's less variation in a group of calves that come off one ranch than if you start mixing and matching them by frame size and weight, because there were so many management factors early," he says. "Genetics are the same and the management up until the time they enter the feedlot or the backgrounding lot is so similar that it keeps them a lot tighter group throughout the finishing phase."

### The lost art of sorting

That's not to say cattle should not be sorted at all, he clarifies.

"A lot of the people we work with will calculate the target weight at re-implant time," Bruns says. "If cattle are too heavy, we recommend tagging those cattle. Then sometime before the average of the group is marketed, we can pull out those heavy cattle."

Corah observes that sorting has become a "lost art" in many of today's feedlots.

"Sorting cattle based on a compositional and fat-cover end

point is an art we've gotten away from," he says.

"Our traditional way of marketing became selling a pen. If you sell them on a live-weight basis, you can get away with that. You'll have the overly fat and the under-fat cattle all in the same pen, but as we move to more and more grid marketing, you need to get as many in that window as you can to really capture the premiums.

"That becomes very difficult to achieve without some sorting," he adds.

Dan Dorn, of Decatur County Feed Yard LLC near Oberlin, Kan., knows the importance of assembling like marketing groups.

"Our goal is to harvest cattle at an optimum end point, whether they're getting too big, too fat or inefficient, we want to put wheels under them," says the rancher relations manager of the 38,000-head yard.

"On arrival, we measure the cattle," Dorn says. "We weigh them individually, we measure them for backfat and ribeye and we capture a frame score. All of that data is tied to an electronic tag, and the cattle go to their home pens."

Initial data is compared to information gathered after re-evaluation at 90 to 120 days on feed.

"Now we've set a baseline of how the cattle are performing," he says. "We know average daily gain, we know fat deposition, and we know what it's costing us on a daily basis to feed that animal."

The most difficult move is balancing both efficiency and quality with feedyard economics, Corah says.

"As we've tried to get as much weight on these cattle as we possibly can in the last two to three years, we've seen a tremendous amount of YG 4s and 5s," he says. "Obviously we're putting more fat on cattle than we need to as an industry.

With higher corn prices, that will probably change in the next few



Kelly Bruns

(PHOTO BY LANCE ZIMMERMAN)

years. Keeping to a marketing program that avoids the over-fats is going to be really important."

### Play the game

Dollars must dictate marketing decisions, Bruns says. "As cattle get fatter, you lose so much efficiency — and people won't feed cattle as fat with \$3.50 corn. There are lots of things that are going to drive backfat down a little bit and decrease our percent [YG] 4s because their costs of gain are just going to be so high."

Even after calling all the right shots and selling the cattle on time, final success may be out of the feeder's control.

"Sometimes you sell in the right window, but because there are a lot of cattle going to market at that point, it isn't unusual for a packer to ask for another 10 days to 2 weeks on the cattle," Corah says. "You picked the right end point, but if the packer can't take them yet, two weeks ends up making a lot of difference."

At the SDSU feedlot, they've played that game.

"We have many instances here where we've been put off a couple weeks, and it's increased our heavies and our [YG] 4s," Bruns says. "There is the power to negotiate on these grids, and, in some cases, when we sell cattle we probably need to specify a sale date or a slaughter date. If it deviates from that, we probably need to negotiate our discounts or what we allow for heavies and [YG] 4s with that packer."

He adds, "That's probably easier said than done, but if they want to tie up cattle for a given time, that's what we as feeders need to press for."

This game of inches is really a matter of integrating all that's happened up until the last 30 days on feed, and making the best of it.

"It's hard when you get very close to marketing to do a lot of things to change marbling, other than trying to manage the compositional end point," Corah says.

All the same, it's important to have a game plan from the start.

Bruns says, "As soon as they get the cattle in, they need to be thinking about the end."

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