

S.A.F.E. Sale is a Safe Bet



Sellers, buyers committed to sale that features value-added calves.

Story & photos
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Record-high corn prices, volatile cattle markets, weather extremes, ... There are more than enough uncertainties in the cattle business to keep a person on edge. But when

it comes to feeder-cattle sales, there are two safe bets. One, producers consigning calves to the Southeast Alabama Feeder Cattle Marketing Association (S.A.F.E.) sale will sell top-quality preconditioned cattle. Two, buyers will reward them for their efforts.

The proof of the board sale's

success is in the numbers. In the first three sales, 1995 to 1997, an average of 636 head sold. In the August 2011 sale, 4,000 head changed hands. It is a similar story in Georgia, where like-minded producers started their own S.A.F.E. sale in 2002. In the first three sales, an average of 1,250 feeder cattle sold. In the August 2011 sale, 3,400 head sold.

The reason for the sale's long-running success is simple, says S.A.F.E. Sale Manager John Moseley Jr. "The producers stand behind their cattle. And, in my opinion, the cattle improve every year. The producers see the cattle that get sorted out. And most of the buyers let us know how the cattle perform. Then the producers can make decisions about changing bulls."

Husband and wife John and Elaine Bemby, Climax, Ga., are two producers who keep raising the quality bar on their cattle. Elaine says, "The bulls we buy have been constantly improving, therefore our herd has been improving."

Healthy start

While top-notch genetics are vital to the success of S.A.F.E., the sale name is no accident. S.A.F.E. founders wanted to make sure buyers knew they were getting a healthy product. In keeping with that mission, calves undergo a comprehensive health program, including vaccinations and boosters, deworming and at least a 45-day

preconditioning period. Also, consignors have to be Beef Quality Assurance (BQA)-certified.

Even with the strict health and management standards, Moseley says producers are always looking for ways to make the cattle even more attractive to buyers. When a major feedlot told him they'd like to see the cattle preconditioned for longer than 45 days, the producers responded. "Most are now preconditioning their calves for 55 to 100 days," he reports.

In the Georgia sale, producers are also required to enroll their cattle in a process verification program (PVP),

S.A.F.E. breed choice



If there is one thing most of the calves in the Southeast Alabama Feeder Cattle Marketing Association (S.A.F.E.) sale share, it is the breed of their sires.

"Angus bulls uniform their cattle up color-wise and frame-wise," says S.A.F.E. sales manager John Moseley Jr. "Angus have the added benefit of making cattle polled."

"I started putting Angus bulls on my cows in '93," says Eufaula, Ala., cattleman Tom Corcoran. "I've saved some good heifers off of them."

Climax, Ga., producer John Bemby, who runs Angus-Simmental cows with his wife, Elaine, says, "We ran Simmental bulls with our cows, but our cattle were getting too tall. The Angus-sired calves also bring better prices."

Elaine says, "Black is beautiful in cattle. If you are marketing a product, you need to supply what the customer wants."

The Bembrys go a step further and enroll their calves in Angus Source. "It identifies our calves as at least 50% Angus," says Elaine.



S.A.F.E. sales manager John Moseley Jr. says the producers who sell in the S.A.F.E. sales stand behind their cattle.



Above: With careful bull selection, Elaine Bemby says their herd gets better every year.

Left: Bemby says buyers want black cattle, so that's what they breed.

which assures buyers the calves are age- and source-verified.

"Buyers seem to be looking for more PVP cattle this year," Moseley comments.

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— *John Moseley Jr.*

Committed buyers, sellers

Both the producers and buyers tend to commit to S.A.F.E. for the long haul, fostering an attitude of trust. "The buyers and sellers get to know each other so the buyers know what they are getting," says Elaine Bemby. Relative newcomers to S.A.F.E., the Bembrys have been participating in the sale for four years.

Her thoughts are echoed by veteran consignor Tom Corcoran, who was one of the 15 producers involved in the original S.A.F.E. sale in Alabama. "The same buyers buy your cattle for years," says the Eufaula, Ala., cattleman. Corcoran currently serves as president of the Alabama S.A.F.E. group.

Although many of the buyers are repeat customers, Moseley still courts new buyers by mailing printed catalogs and DVDs of the cattle to 65-70

potential customers. If a new buyer decides to join in, he can also see both the catalog and photos of the cattle on Moseley's website.

All the benefits don't go to the buyers, though. "The calves bring more money and the shrink doesn't kill you," says Corcoran. Most of the producers have the numbers to sell in uniform load

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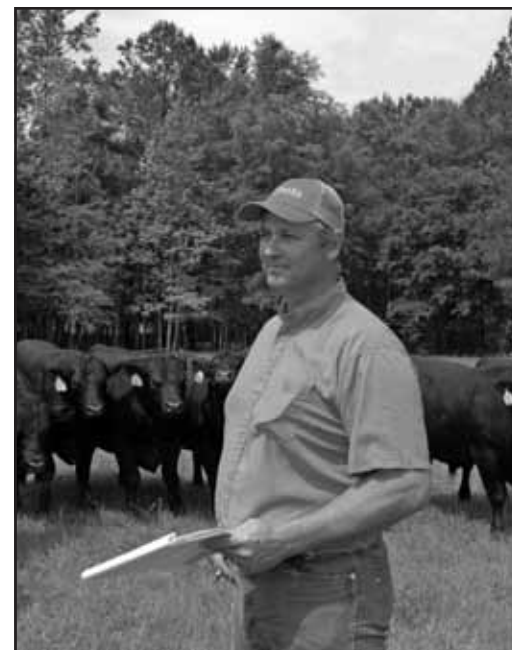
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lots, or at least half load lots, which historically bring more money. Plus, since the cattle are preconditioned and don't leave their farms until the truckers pick them up to take them to their new homes, shrink is reduced.

Auburn University extension economist Walt Prevatt keeps track of S.A.F.E. prices and compares them to single-head sales at the stockyard. He says, "The producers are getting paid for what they do. It is a combination of preconditioning, reduced shrink and reduced commission costs. One year, in the late '90s, it was close to breakeven, maybe a \$10 advantage. Other years it has been a \$50 to \$150 a head premium for the S.A.F.E. cattle."

After 17 years with S.A.F.E., Tom Corcoran counts on it. "It has been good to us," he says.



Graham Angus Farm manager Kip McMillan says it costs too much to keep bulls until they are 2 years old. So, he is selling top-quality feeder steers through the S.A.F.E. sale.



New but S.A.F.E. venture

With the combination of horrendous feed costs and promising feeder-cattle prices, Kip McMillan, manager of Graham Angus Farm, decided it was a good year to steer part of his bull crop.

"For 50 years, Mr. Graham (the late Bill Graham, former owner of Graham Angus) marketed his bulls as 2-year-olds, but we can't afford to feed them that long," McMillan says. "We're going to start marketing them when they are 14 months old instead."

He adds, "It may take a couple of years to get our yearling bull market built up, so we thought it was a good time to start marketing steers in a value-added sale. Not having much knowledge of board sales, I relied on word of mouth. The S.A.F.E. sale probably has the best reputation of any around. Buyers are coming in and paying a premium for the calves."

The Albany, Ga., purebred producer's instincts were right. In the August sale, a load of 675-pound (lb.) Graham steers brought \$1.35 per lb.

"We were tickled to death," McMillan says. "We thought that was pretty good for the first time."

He says he also hopes the steers' success will pay off later. "We want to get in the local market. If we get top dollar for the steers, then down the road that should help us on the bulls. The producers in the S.A.F.E. sale may want the kind of bulls that will put that type of steer on the ground."

For more information on the S.A.F.E. sales, see www.moseleycattleauction.com.

