Straightbred Makes a Move

The makeup of the nation's cow herd continues to move toward high-percentage or straightbred British genetics — that's according to a new producer survey, out in February in the pages of *BEEF* magazine.

The survey, which includes 839 responses, showed the percentage of

producers classifying their herds as high-percentage or straightbred British increased from 47.4% in 2010 to 51.3% in 2014.

Angus continues to enjoy a sizeable market share among America's ranchers. Nearly 67% of respondents reported the

last bull they purchased was Angus, and nearly 87% said they do not plan to shift the genetic makeup of their cow herd in the next five years.

Of those who do plan to change genetics, 51% said they plan to increase the percentage of British genetics.

"One of the take-home conclusions of this survey is that the commitment of its respondents to the genetic makeup of their cow herd is rising, with a smaller percentage willing to change than in 2010," says Bryce Schumann, CEO for the American Angus Association. "This points to the increasing strength of a quality-driven market and the marketing advantage that Angus genetics provide in a value-based marketplace. In other words, producers are saying if they're going to make a change, then the majority of them are going to add more Angus."



Reason to change

Much of the shift toward straightbred genetics is being driven by market premiums for cattle that earn the *Certified Angus Beef*® (CAB®) brand trademark.

Results from a recently concluded biennial survey of CAB-licensed packers in January shows CAB grid premiums rose to \$47 million in 2013 — more than double the \$22.9 million paid in 2010.

Kansas State University research also shows demand for *Certified Angus Beef* brand product is up by nearly 80% since 2005 — and CAB has continued to set sales records for each of the last seven years, selling 865 million pounds (lb.) of product last year alone.

Don Schiefelbein, whose family operates Schiefelbein Farms at Kimball, Minn., agrees the past few years have seen a dramatic change in the realm of genetic possibilities. The farm buys calves from bull customers and finishes 20,000 head per year to sell on a grid.

"Making cattle that do 85% or 90%, even 100% CAB was unheard of just five or six years ago," he says. When they do, as a fair number of loads did last year, the breakeven equations go out the window.

"Say you have two steers and one makes CAB and one doesn't," Schiefelbein says. "It costs nothing more for the one that earned the premium — it's all extra dividend, added value built in. That's why breakevens mean nothing when you try to factor in 80% CAB."

The *BEEF* magazine survey also noted strong advances in the use of DNA technology, something producers are using to pinpoint economically important traits and improve the quality and consistency of their cow herds.

According to the survey, the percentage of producers using genomic data to select bulls jumped from about 30% in 2010 to nearly 39% in 2014.

Visit www.beefmagazine.com to read complete survey results.

