



The Source

by **SARA SNIDER**, director of AngusSource®, American Angus Association

Get a return for your efforts

Do you use all registered Angus bulls?
Do you keep calving records?
Do you think you deserve additional dollars when you market your home-raised calves?

If you answered yes to these three questions, there might be something we can do to help.

Have you put much thought — beyond which auction market you'll use — into marketing your calves? If you've made investments in Angus genetics, have good management practices and have high-quality calves to sell, isn't it time you started getting full value for your calves at selling time?

For many of you, taking the leap from marketing calves to marketing value-added calves isn't as big as you think. You already have the management practices and records in place. It's just a matter of taking the last step — documenting that value and turning your hard work and genetic investment into dollars.

The days of a black hide and a producer's word about their health program being enough to top the market are long gone. Today's marketplace requires documentation that backs up a producer's claim. Specific marketing avenues require additional third-party verification. Sound a little overwhelming? It doesn't have to be.

The American Angus Association is dedicated to helping you get a full return on the genetic investment you made in the registered Angus bull you purchased. The Association offers programs and services like AngusSource® that, with minimal costs, can help you increase the value of the calves you raise. And, in most cases, your current management practices can remain the same.

AngusSource

AngusSource is the most cost-effective verification program available in the industry. As a U.S. Department

of Agriculture (USDA) Process-Verified Program (PVP) for Angus-sired calves, AngusSource verifies source, group age and a minimum of 50% Angus genetics.

AngusSource adds value to your calves and opens doors to additional marketing avenues. Age verification is required for export to Japan. Packer premiums for calves that meet the age requirement of less than 21 months are guaranteed to be as high as \$35 per head through May 2009. Calves that are genetically verified through AngusSource have the opportunity to supply Angus product lines like *Certified Angus Beef*® (CAB®), regardless of hide color. The source-verification component of AngusSource can be used to substantiate country-of-origin labeling (COOL) claims.

In most cases producers are already keeping the records needed to meet requirements for AngusSource. All calves must be sired by a registered and properly transferred Angus bull. All calves must be enrolled by the ranch of origin. At minimum, the producer must have a record of the birth of the first calf born. All calves enrolled together share the birth date of the oldest calf enrolled; this is the verified group age.

Ranches utilizing artificial insemination (AI) or purchasing bred females that they calve out must also provide semen receipts and bred female receipts. For many of you this will require no change in management and little, if any, additional paperwork. The only fee for the program is the low \$50 enrollment fee and the cost of the tag. Once enrolled, each group is issued a verification certificate and the producer can then use the marketing support and online listing site (www.angussource.com) to help promote the calves.

A third-party analysis of the 2008 Superior Livestock Auction data showed that calves enrolled in AngusSource brought \$3.37 per hundredweight (cwt.) more than non-verified calves and \$1.29 per cwt. more than calves enrolled in other source- and age-verified programs. If you enroll 100 calves, on a 600-pound (lb.) calf, that is a \$20-per-head return on a \$1.50-per-head investment — a relatively low cost for the potential of huge returns.

Health benefits

To maximize the potential of that return, don't stop at enrolling calves. Qualifying them for as many markets

as possible is key to adding value. AngusSource offers you the opportunity to document additional health and management information, such as if

calves should qualify for natural, if they have been weaned and what vaccinations they have been given.

Many of you are already preconditioning your calves, and I applaud that. But why not take the next step and verify those management and health practices through a third party? At

no additional cost to you, you can get a larger return on your investment. Our friends at Merial shared the following data with us:

Data gathered and analyzed by Iowa State University Extension shows that the market value for calves with third-party certification of preconditioning claims — such as those in the Surehealth™ program — differs significantly from the market value of calves with uncertified claims. Calves with third-party certification claims that also were weaned for at least 30 days received premiums of \$6.15 per cwt. over the base. Calves with uncertified claims of vaccinations and sold at least 30 days postweaning received \$3.40 per cwt. over the base. Calves with only a vaccination claim received \$2.42 over the base.

Preconditioning pays any way you look at it. But it pays the most when you take the final step and have it verified through a third party. AngusSource does not verify your preconditioning, but we do work with programs like Merial Surehealth, Pfizer SelectVac® and MFA Health Track, which do.

Summary

Look at your operation. Identify those things that are keeping you from receiving the price you know your calves are worth. Minor changes to your management or vaccination protocol may be all it takes. In most cases, though, it is following through that will turn your offering into value-added calves. Take that final step and call AngusSource and one of the preconditioning programs to complete the paperwork and enroll.

From all of us at AngusSource, we wish you and your family happy holidays and a prosperous new year. We look forward to helping you market your next value-added calf crop.

