

# The Source

by **SARA SNIDER,** director of AngusSource,<sup>®</sup> American Angus Association

# Weighing the costs and benefits

Enrolling your calves in a U.S. Department of Agriculture (USDA) Process Verified Program (PVP) like AngusSource<sup>®</sup> or Gateway costs money and takes time, but the benefits can far outweigh this investment.

As a new mother I am learning the value of time. I have realized that most days I can't get everything done that I would like to, but if I prioritize, I can usually accomplish everything that I need to. Time is valuable, and I have learned to use it wisely.

We realize that your time is valuable, too. Along with time for family and friends, a producer's average day may include chores, fieldwork and an endless "to do" list. For many of you, a job in town also eats up a large portion of your day. Whatever time you have left is precious and is spent on the things that offer the largest return.

Enrolling in AngusSource or Gateway is worth your time. We work hard to ensure that the enrollment process is as smooth and efficient as possible. There is a lot of information that we must record and management practices that we must Enrolling in AngusSource or Gateway is worth your time. We work hard to ensure that the enrollment process is as smooth and efficient as possible.

discuss. We provide each producer with a manual and an enrollment checklist that outlines the records we will need and the requirements of enrollment. By reading through the paperwork we provide you, the enrollment process can be expedited.

As with most experiences, the first attempt is the most challenging. AngusSource has been operating as a PVP for four years, and with each enrollment a producer completes, the phone call gets shorter and the enrollment is finished more quickly. In most cases the training and enrollment can be completed in under an hour. That hour of time invested can open the door for huge rewards.

## There is a modest cost

For each enrollment there is a \$50 fee, and then program-compliant ear tags must be purchased. AngusSource is the most cost-effective verification option available in the industry, and the Gateway program is very competitive.

#### There are huge rewards

The demand for verified calves remains strong. Feeders are seeking AngusSource calves because of the proven performance of Angus calves in the feedyard. Superior Livestock Auction data from 2008 showed that producers selling AngusSource calves received a \$3.37-per-hundredweight (cwt.) premium over non-verified calves. Customer feedback we receive weekly suggests producers throughout the country are receiving premiums for their calves.

Calves that are verified for age through programs like AngusSource and Gateway also have a special appeal to feeders enrolled in programs that supply calves for the Japanese export market. These packers have the opportunity to receive packer premiums for their ageverified calves.

I was excited to read the following announcement in a memo that I received in August:

*"U.S. Premium Beef is pleased to announce that the company will extend its \$35 Age and Source Verification (ASV)* 

premium per head through May 29, 2010. This announcement will give cattle feeders the assurance that USPB will pay an ASV premium on cattle that are harvested by May 29, 2010. At that time, USPB will re-evaluate its ASV premium for the period beyond the date."

With packer premiums guaranteed through May 2010, the demand for ageverified calves should remain strong.

After you have enrolled your calves it will take 8-10 business days for you to receive your tags, and calves must be tagged before they leave the ranch. We encourage you to start your enrollment at least 30 days prior to when you plan to market. Once calves are enrolled they can be promoted using the online listing site, which is e-mailed weekly to more than 600 order buyers and feedyards.

### Making the investment.

There isn't much in this industry that you can get for only an hour or so of your time and a little more than \$1 per head. Investing that time and money by enrolling your calves in AngusSource or Gateway can open the door to new marketing avenues and additional dollars for your operation and for the feeder who purchases your calves.

If you would like to learn more about the opportunities available through AngusSource and Gateway visit *www.angussource.com* or contact us at 816-383-5100. We look forward to working with you.

