

Committed to the Brand



Outstanding

CAB Annual Conference rewards quality, excellence.

Story by
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At its 2005 annual conference in Baltimore, Md., Certified Angus Beef LLC (CAB) turned the spotlight on cattlemen who have excelled at the cow-calf and feedlot levels in achieving the goals of the CAB program. Blake Huntley, winner of the 2005 Commercial Commitment to Excellence Award, is featured in the cover story of this issue. A summary of some of the other winners follows.

Seedstock Commitment to Excellence

When neighbors west of Bozeman, Mont., decided in 1987 to hold a joint registered Angus sale, folks were skeptical. The Performance Breeders were

different. They owned that label by force of reputation, invested in a logo, hosted annual production sales and pledged to be true to the big picture.

Dave and Yvonne Hinman were planning their first bull sale after 12 years at private treaty when they compared notes with friends at Cedar Hills, PAPA Ranch (both have since dispersed) and Rollin' Rock.

Fast forward to the present — the Hinmans and Bill and Jennifer Davis of Rollin' Rock Angus, as Performance Breeders Inc., are the winners of the 2005 CAB Seedstock Commitment to Excellence Award. They accepted the honor at the CAB annual conference Aug. 18-20.

"That first year we had a huge crowd; people wanted to see if it was

going to blow up," Bill says. But, the average on 156 bulls beat what any of the members had ever gotten on their own.

Darnall Feedlot, a CAB-licensed partner in Harrisburg, Neb., nominated its seedstock customer for the annual award. Owner Gary Darnall and son Lane feed

Performance Breeders' genetics, including many of those reported in the 2005 bull sale book. The

"Real-World Summary" reported in the sale book showed nearly 13,000 progeny hit the 50% *Certified Angus Beef*® (CAB®) and Prime level, with excellent gain and feed conversion.

Such results are not possible with genetics alone. They require
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Jennifer (left) and Bill Davis of Rollin' Rock Angus, Sidney, Mont., saw the chance to participate in the Performance Breeders bull sale as an opportunity they couldn't pass up.



Dave (left) and Yvonne Hinman, Malta, Mont., note the importance of agreeing on guidelines when joining a partnership. [PHOTOS COURTESY OF CERTIFIED ANGUS BEEF LLC]

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a program with a long-term approach to customer service. It is essential to maintain a competitive edge because similar Angus genetics can be found anywhere.

“We are trying to create more opportunities for marketing,” Dave says, “like the commercial female sale we

started a couple of years ago for customers. And, if they are interested, we will help them market to get feedlot and carcass data.”

“We’re not telling people how to market,” Bill says. “We’re just giving them reasons to keep buying our bulls.” The Darnalls and other customer feeders share data, which helps with accountability. “You can’t assume everything you are doing is

working,” Bill says. “You have to get out and look and get the feedback, and when people have concerns, you better do something.”

As a brand name, Performance Breeders says a lot. Like any brand, it is a promise. Hinman Angus and Rollin’ Rock Angus are the promise keepers.



“When the feedlot purchases a group of cattle, we believe that the information still belongs to the producer, too,” says Ken Schilz, general manager of McGinley-Schilz Feedyard Ltd.

Feedlot Partner of the Year, >15,000-head capacity

McGinley-Schilz Feedyard Ltd. (MSFY) proves customer service and data followup are linked priorities. The Brule, Neb., feedlot has earned the 2005 CAB Feedlot of the Year Award among yards with more than 15,000-head capacity.

General Manager Ken Schilz realizes that cattlemen need data’s competitive edge to earn higher profits.

“We are in big trouble when a producer gives up his rights to information, because there will be no way to make a premium — or premium product — in the future,” Schilz says. “The only way to advance and get more money is to leverage and use that data to move forward.”

The yard’s CAB enrollments have doubled in three years, while maintaining a 26.8% acceptance rate across the board. Producing for the CAB Natural brand helps hit the high-quality target, but enrolling the right cattle and marketing them correctly makes the difference.

“The staff and partner-owners of McGinley-Schilz Feedyard have worked hard to maintain an eye on quality as the company has made some positive changes to gather more carcass information this year than ever before,” says Paul Dykstra, CAB feedlot specialist.

Background is as important as backgrounding for cattle today, and Schilz sees the feedlot’s approach as an advantage to sourcing cattle that come with records.

“Every animal has a value,” Schilz says. “The key is finding what that value is. There are some cattle a feedlot might not want — and that generally means a discount — but, depending on the available options, we might pay the price they want.”

“Information on purchased cattle allows us to lessen our cost coming in,” he continues. “That’s because producers are finding more value in their calves than just the dollars they put in their pocket at the end of the year.”

Runner-up Feedlot Partner of the Year, >15,000-head capacity

Producers don't tell feedlot operators their calf crops look average. Kendall Hopp from Hays Feeders LLC, Hays, Kan., hears all the stories and sees good-looking cattle fall short of premium profits too often. But, that doesn't mean he has given up on looks. He only works harder to show producers that information can add value to the look they sell.

The feedlot can acquire the right cattle and get the data it needs through being a CAB-licensed feedlot partner. Last year, the yard was among the Feedlot-Licensing Program's (FLP's) top five in volume, and this year it earned the Runner-up Feedlot of the Year Award for yards with more than 15,000-head capacity.

"Producers are going to need more information about how their cattle perform in the feedlot," says Kendall Hopp, general manager of Hays Feeders LLC, Hays, Kan. "Looking good doesn't mean they will make it in the feedlot. The more information we can pass back and forth, the better we will be at producing more consistent, higher-quality product."



"The industry is seeing more and more black-hided cattle," Hopp says. "Just because they have black hair doesn't mean they are good to us. Even if they are Angus, producers realize they need records to set themselves apart from the crowd."

Producers interested in learning about their cattle can trust Hays Feeders to deliver data from CAB. Selling ranchers on the benefits of knowing more about their cattle is easy. Sharing the payoffs of retained ownership is the challenge.

"Feeding cattle is a new step for a lot of guys to take. My job is to show them that calf prices today make it a perfect time to try it out," he says. "Higher cash prices mean that much less risk. Sure, they can get a premium auction price off the cow, but feeding brings added incentives down the road."

CAB Feedlot Specialist Gary Fike says the yard is dedicated to CAB's mission. The feedlot enrolled 6,659 head in the program this year, with a data capture success rate of 99.6%, among the highest in the FLP.

"It is hard to deny the success Hays Feeders has in procuring for the brand," Fike says. "They get cattle enrolled in the program and help producers get information back in their hands. They understand what it means to be a CAB feedlot partner."

Feedlot Partner of the Year, <15,000-head capacity

After 25 years as manager of McPherson County Feeders Inc. (MCF), Allan Sents has earned a reputation for raising the quality bar. His Marquette, Kan., feedlot became a CAB licensee in 1999.

With yard foreman Tony Loving, cattle foreman Kendall Stubby and a dedicated staff, Sents aims to help the beef industry meet consumer demand for quality through customer service. By making good on that aim, MCF is the winner of the 2005 CAB Feedlot Partner of the Year Award for yards with less than 15,000-head capacity.

The 10,000-head feedlot has enrolled 40,000 head with CAB, ranking fourth in

all-time volume in a field with yards five times bigger across the U.S. Last year, 18% of 5,588 head harvested through MCF achieved CAB acceptance, well ahead of the national average.

No other yard showed more commitment, or made a bigger change in cattle type and marketing, Fike says. "Allan has done a fabulous job managing cattle of

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McPherson County Feeders' Allan Sents makes use of sorting cattle. "If you are careful in how you sort, you don't have to give up anything."

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mostly unknown origin to hit the CAB target," he says.

Often in the CAB spotlight for both yard and staff, MCF also won the Bronze Award in May for feeding more than 500 On-Target "30.06" cattle that were 30% or more CAB and Prime.

Shortly after licensing, Sents hosted a

CAB seminar featuring animal behaviorist Temple Grandin. Her ideas show in the processing barn and in the series of 40-head sorting pens built in 2000. That and well-honed sorting skills led MCF away from cash sales. "It is a better way for us, the customer and the industry," Sents says. He reports giving up nothing in performance while shifting to more and more Angus cattle, sorted to outcome.

"We are looking for customers who recognize the potential in their genetics, and will let the cattle say when they are ready," Sents says. To help ranchers through all kinds of markets, MCF has a profit- and data-sharing plan to build more value into their herds.

Ranchers may sell their calves to MCF with an option to share in profits, if any. Included in the deal, they get closeout and

carcass information back. "Not every cattle feeder will do that," says one appreciative Montana customer.

Runner-up Feedlot Partner of the Year, <15,000-head capacity

Feedlots and quick-to-sell producers rarely see eye to eye, like trucks passing in the night. If they talk, phrases like "retained ownership" and "check in hand" mix like motor oil and radiator water. Yet, quality feedlots find common ground and devoted customers.

Flint Rock Feeders Ltd., a CAB partner feedlot near Gruver, Texas, and manager Frank Winters are bridging the gap. The feedlot was named CAB Runner-up Feedlot Partner of the Year for those with less than 15,000-head capacity.

The differences between feedlot and farm rest in marketing strategy, Winters says. Feedlots take a long-term view, while many cow-calf producers only look at the markets at weaning time.



Flint Rock Feeders Ltd. Manager Frank Winters believes that easing producers into the realities of the postweaning world can make everyone more successful.

"It's like getting on a freeway," he says. "Everyone is driving 80 miles per hour and you are on the frontage road doing 40 miles per hour, getting ready to merge with traffic — you're gonna get run over, but that's what happens to producers when they only look at markets in the short term.

"A lot of them don't have a clue about what it takes to make cattle work in a feedyard," Winters adds. "They may think they are producing the best calves, but for them to have feedlot value, we need to work together."

Fike says Flint Rock's CAB-acceptance rate of nearly 21% is evidence of its commitment to building a better program. "That's an amazing number, considering the region," he says. "Frank focuses on bringing in great cattle, and once they reach the yard, they are fed and managed right."

That has been the key to excellence for Flint Rock Feeders. Customer focus has given the feedlot an opportunity to build lasting relationships with producers who find the road to higher profits.

Progressive Partner of the Year

Fifty years ago, this was an industry of handshakes. Partnerships were made on pickup tailgates and a man's word was

as good as his signature. Today, things may have changed. Some would say progress has made that kind of trust impossible. But, Roger and Jill Chambers believe you can have both.

The husband-and-wife team own and operate Silver Creek Feeders Inc. (SCF), a 3,300-head feedyard out of Treynor, Iowa. Roger grew up in the business, the third generation to own SCF, a CAB-licensed feedlot since 1999. Maybe it's the close family ties that help keep the trust alive, or perhaps it's their belief in doing things right.



The husband-and-wife team of Roger and Jill Chambers owns and operates Silver Creek Feeders Inc., a 3,300-head feedyard out of Treynor, Iowa.

Combined with a desire for progress, those values make a solid foundation for any business, but this team has built something worthy of recognition as the 2005 CAB Progressive Partner of the Year.

"We've got a clientele that we've grown and become quite tight with, personally and the business part, too," Roger says. "We get a lot of satisfaction having people come back here year after year, and help them make changes in their operations."

Just as choosing the right feedlot is important for producers, Roger and Jill say choosing the right customers is important for them.

"One of the things people always ask me is, 'What makes you unique?'" Jill says. "I don't know how other operations run, but I know that when one of our customer's kids is having a baby, we're the second or third people to know. When one of them is getting married, we're invited to the wedding. I think that does make us a little unique that we have that close of relationship," she says. "We wouldn't have it any other way."

Perhaps the gold key to SCF success has been Roger and Jill's drive for customers. Whether it is establishing solid relationships or pushing themselves to stay ahead of the industry, they try to do what is best for customers to get them a profit.

Quality Focus Award, >15,000-head capacity

The more known about a pen of cattle — the genetics, health and background — the greater chance of feeding success. The staff at Irsik & Doll Feedyard (IDFY) gathers and uses this information to manage cattle, and it has proven its worth.

The Garden City, Kan., feedlot is the 2005 CAB Quality Focus Award winner

for operations with more than 15,000-head capacity. The new annual award honors feedlots that post the highest CAB-acceptance rates for the year.

At 23.2%, plus 3.1% Prime on 4,773 enrolled cattle, IDFY posted the highest CAB-brand acceptance rate among the big yards. Nationwide, only 8% of all beef meets the CAB brand requirements.

Genetic knowledge sets IDFY apart,

and it all begins by working with customers who appreciate genetic progress, says Irsik & Doll Co., customer services director Ron Kramer.

"We don't have a magic wand out here that can change genetics," he says. "Customers' cattle are a big part of what we have achieved here; they give us the opportunity to feed great cattle. We

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It is IDFY policy to make sure each pen has a full vaccination background, because healthy cattle gain better. That results in more accurate feedback and a better shot at quality premiums.

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cannot make cattle more than what they really are.

“We are a customer-cattle feeding company,” Kramer adds. “We need top-notch customer service. We don’t look at it as an extra. It’s what we are here for.”

The IDFY approach fits well with CAB program goals.

Fike says IDFY is a trendsetter among area yards. “It is somewhat counter to the trend for the southern High Plains feedlots to have acceptance rates this high,” he says. “While there are others that feed high-quality cattle, IDFY has certainly excelled. Attention to detail, sorting and targeting cattle to qualify for the brand has been their passion.”

**Runner-up Quality Focus Award,
>15,000-head capacity**

When Angus producers in the Pacific Northwest think about hitting the quality target, they think of Beef Northwest Feeders LLC. A CAB-licensed partner for only a year, the company made a deep impression right out of the gate, honored as runner-up for the 2005 Quality Focus

Award among all CAB yards with more than 15,000-head capacity.

Out of 1,660 Angus-type cattle enrolled through CAB last year, 22% were accepted for the brand, with another 1.7% Prime. “That’s especially commendable at the size and scale of Beef Northwest, where many contemporaries focus on commodity margins alone,” Dykstra says.

Started by the Wilson family in 1991 as a means of partnering with independent family ranchers, Beef Northwest now has three locations and reaches a one-time capacity of 96,000 head: Nyssa, Ore. (32,000 head); Boardman, Ore. (40,000 head); and Quincy, Wash. (24,000 head).

It joined forces with CAB as another way to attract more Angus producers with high-quality cattle. Detailed carcass and performance data help Beef Northwest customers obtain the profits and information they need to continue improving their herds, says Ron Rowan, Beef Northwest’s CAB coordinator.

Beef Northwest features a Premium Genetics Feeder Grid Alliance Program with Thomas Angus Ranch, Baker City, Ore. Their customer base includes ranchers throughout the Pacific Northwest, California and Hawaii.

To live up to the company slogan, “Partners for Profit,” Beef Northwest offers cattle financing, risk management, Web site access, individual health and nutrition records, and, of course, customer partnerships.

**Quality Focus Award,
<15,000-head capacity**

In the far west-central Nebraska panhandle lies an increasingly diversified CAB-licensed partner. Hergert Feeding Co. (HFC), Mitchell, Neb., keeps aiming high, and has won the CAB Quality Focus Award for feedlots up to 15,000-head capacity.

No other CAB feedlot partner of any size can beat HFC for volume of enrolled cattle that have hit the CAB brand target, with an annual acceptance rate of 30.2%, plus 2.9% Prime. “We have a tradition here of feeding good cattle and sorting to get the most out of them,” feedlot manager Tim Brost says. “My goal is to take that to the next level.”

HFC has been a model CAB partner, Dykstra says. “Tim takes a lot of pride in



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doing things right, and he is very good at sorting cattle," he adds.

"His skills allow HFC and its customers to pick up steady grid premiums by sorting pens down to partial loads. Not every load will hit a home run, but small premiums over cash on volume throughout the year translates into real dollars."

Brost appreciates the growing link between his job and scores of Angus cow-calf producers, and retained ownership customers will remain a top priority. Ranchers often test the waters with a single load, and that's what he suggests. HFC will partner on cattle, too.

He invites cow-calf producers to come to class: "If you are a progressive rancher with known genetics, you would be ahead to let us try it with some portion of your cattle."

**Runner-up Quality Focus Award,
<15,000-head capacity**

A 2,500-head feedlot that first defined innovation as a CAB-licensed partner is in the news again. The runner-up for the CAB Quality Focus Award (up to 15,000-head capacity) is Samson Inc., Platte Center, Neb. The feedlot was both the 2000 and the 2001 CAB Progressive Partner of the Year.

Manager Scott Mueller has not been idle. "It's never business as usual here," he notes. Samson, which includes quality assurance (QA) manager Sara Hanlin, added a full-service commodity brokerage a few years ago. Brainstorming settled in for a good soaking to grow long-term relationships with cooperating ranchers, many of them in South Dakota.

The Quality Focus Award recognizes accuracy in hitting the CAB brand target, Dykstra explains. "Scott brings precision to everything he does in business, and it shows in the 29.2% CAB-acceptance rate, along with 3% USDA Prime grade for the 1,398 cattle he enrolled over the last year," he says.

Samson's producer network includes Cannon River Ranches, Highmore, S.D., managed by Dale Suhn. "We have been getting carcass data back for the past five years, keeping track of sire groups to help guide selection," Suhn says. Last year a pen of 119 steers achieved 37% CAB acceptance, with 48% Yield Grade (YG) 1 and 2.

Samson data show higher profitability on steers that finish at 1,350 pounds (lb.), so that is a long-term target weight for customers. "You have to get genetics that work on the ranch, grow to the higher weights efficiently and hit the CAB target, too," Mueller says. "That's the home run."

Mueller and his wife, Pat, have also operated a CAB-licensed restaurant within their bed and breakfast, the Traditions Inn, in nearby Columbus, Neb., for the past seven years.

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