

# Unlocking The Data Stronghold

## JUST Ask

Producers can get their hands on carcass data easily and economically, but poor communication can snuff out the best intentions.

BY WES ISHMAEL

Gathering carcass data these days is a lot like ordering a hamburger at the drive-through — one that covers 10 blocks and relies on one of those damnable squawk-boxes longer on static than clarity. Tell them what you want on one end and pick up your order on the other. How tough could it be?

"We sent two loads that needed carcass data collected and two loads that didn't, and they collected data on the wrong two loads, but it was probably our fault as much as anybody's," says Marty Schurr of Schurrtop Angus and Charolais at Farnam, Neb. This is an outfit with 32 years of carcass-data-collection experience. Even they can still end up 10 miles down the road with a bag of lizard gizzards before they know what hit them.

But it doesn't have to happen. Like ordering that savory Belt

Buster, gathering carcass data isn't so much a complicated process as it is one that requires the intense cooperation of a fair number of people scattered across distance, each with responsibilities and limitations.

Success demands that each partner take the right step in the process at the right time. Miss just one step and the information you wanted disappears like yesterday's rainbow. Forever.

Keep in mind, you can gather carcass data on millions of cattle in your lifetime, but you only have one chance in a lifetime to gather the information on any specific animal.

### Communicate, communicate, communicate

"Most problems can be traced back to communication," says Mark Nelson, coordinator of

Angus America, which collected carcass data on 125,000 head last year. "People make assumptions that the next person in line knows what they want them to do."

Specifically, he says communication breakdowns are more apt to occur between the producer and the feeder or between the feeder and the packer than they are to occur at the packinghouse.

Likewise, Ken Conway, president of Angus GeneNet, explains that getting producers the information they want boils down to communication and coordination. With his sights set on collecting data for 80,000 head in his program this year, Conway explains, "It takes a pretty good effort to make sure everyone is on the same song and the same verse."

For instance, a producer may want individually identified

carcass data but not tell the feedlot until after their cattle arrive at the yard. In the normal course of business, the feedlot crew already may have replaced the producer tags with feedlot tags. No cross-reference; individual identity lost. For that matter, a producer gathering data for the first time might ship the calves to the feedlot without any tags at all.

Or maybe the feedlot tells the packer the producer wants individually identified data but fails to tell the packer what the producer really wants is a complete set of individual data — ribeye area, fat thickness, marbling score and all the rest, along with the hot carcass weight, quality grade and yield grade that usually constitute standard pen and individual data.

Then again, maybe the producer and the feeder knew what they wanted and asked for it, then through some mix-up at the plant, the kill order got shifted and cattle were processed when data collectors weren't there.

### Pick your poison

"The most common frustration for a producer right now is ... if they spend the extra money to get all of this detailed information, how will they use it? They have to decide if they will use it and what kind of decisions they will make with it," explains Janet Lynch, director of information transfer for Heartland Cattle Co. at McCook, Neb.

Heartland has collected carcass data on about 2,000 head of its customers' cattle this year. As a genetic-source heifer-development program that also operates feedlots, Lynch explains they are able to help customers close the loop of information, collecting carcass data on prebreeding culls and open heifers, then subsequently collecting the data on progeny of their siblings.

So, up front, producers have to know what kind of carcass data they want and if the way they intend to use it justifies the

CONTINUED ON PAGE 16



PHOTOS BY TROY SMITH

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## Just Ask

CONTINUED FROM PAGE 15

cost (see "Start at the Start" on page 18). In many systems, pen data (without individual reference) is free, as long as the producer has retained at least partial ownership in the cattle or has made receiving the data a condition of the sale of the calves to the feedlot.

In other programs — like Angus GeneNet and Angus America, which offer other marketing and consulting services and specific grids for cattle enrolled in their programs — this data costs a few dollars per head.

"A lot of it is having a track record and a person behind you

who really wants to help you get the data," Conway explains. The more people you have working with you to coordinate the process, the more assured you are of getting the data."

Of course, the folks involved will be more likely to help gather the data if they have a vested interest in the cattle once they're hanging on the rail.

"Probably the biggest problem I see with data collection is that a rancher wants to sell his cattle through the sale barn and asks if they will help get the data," Nelson says. Then,

either the order buyer won't tell the producer where the cattle go or the feedlot won't gather or share the information since the producer retained no risk in the calves.

"A lot of producers expect something for nothing, either not wanting to share the cost or not wanting to take the effort to make sure it happens," Nelson says, "and this isn't that kind of world."

Case in point, a number of ranchers lobbied Angus America to help them gather carcass data on cattle they sold at auction. So Angus America put together a service program in which

participating feedlots that bought the calves agreed to collect the data and share it with the producers if the producers would share in the cost of collection.

"It's amazing how many ranchers wanted us to do that and how few actually have," Nelson says.

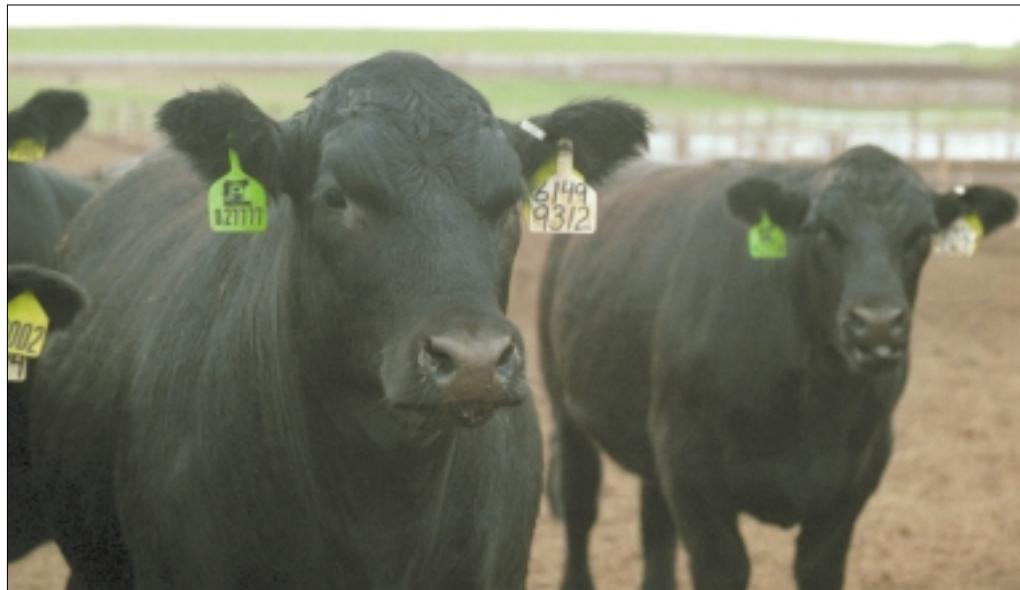
### Worth the cost

After all, even the cost of individually identified carcass data is not prohibitive these days. At Monfort, for instance, Tim Schiefelbein, value-based procurement manager, explains that the alliance partners with which it works typically supply individual data — quality grade, yield grade and hot carcass weights matched to individual tags — for about \$2/head. Complete individual data — including ribeye area, marbling score and fat thickness — runs a maximum of \$6/head.

At Angus America, individual data costs \$4.50/head, and complete individual data costs \$6/head. At Angus GeneNet, the cost runs \$5-\$6 and \$7-\$9, respectively.

Moreover, in a closed cooperative system like U.S. Premium Beef (USPB), which marketed about 600,000 head last year, all of the data is free. Brian Bertelsen, USPB's director of field operations, explains that since the producers marketing cattle in the system also ultimately share in the profits of the co-op, they typically choose only the data they need and will use.

"Around \$4 to \$6 per head on a couple hundred head may sound like a lot of money, but it's nothing compared to the information you can be getting," Schurr says. "At the very least, get group data so you know where you're at in the industry. ... I think we are a lot closer than many people want to believe to when the only opportunity to sell cattle may be on a grid or a formula. And I think a person who has information can make some great improvements and get cattle where they need to go in the system."



Above: Sharing ownership in a pen of cattle can help ensure access to information feedback.

Right: As producers realize there can be a \$300-\$400 variation in value among individuals within a pen, they are more apt to individually identifying their calves, says Brian Bertelsen, U.S. Premium Beef (USPB) director of field operations.



Bertelsen says some USPB members never had tagged their calves when they first started sending them through the system in 1998. "But they'd see the individual data (unidentified), and in most every group of cattle, you'll see a \$300 to \$400 variation between individuals. Those producers realized it cost them the same to maintain each cow and decided maybe they'd better start tagging their calves."

### Chain-speed economics

After producers know what kind of carcass data they want, all they have to do is ask for it. But to get back the data they want, producers need to understand the process so they can see where potential breaks in communication can occur.

"If people want the information, it's really there for the taking, and people don't have to do that much to get it," Schiefelbein says, explaining that more producers are asking for at least data tied back to ear tags. Currently carcass data is collected on about 75% of the 56,000 head (combined) going through Monfort's two northern plants each week. In its southern plants, which harvest similar numbers, data is collected on about half of them. Of those, about 75% are tracked individually in the north and 50% in the south. That's lots of identity to sort.

"The most difficult thing in getting information back to the producer — if it's individual information on a head-by-head, tag-by-tag basis — is correlating which head is which carcass," says Bruce Bass, vice president of cattle procurement for IBP Inc. "We don't guarantee that we can get it to them since it's not something we do as part of our normal routine."

IBP will let carcass data collection services come in to do the job for producers, but this packer shies away from using their own folks to collect the data.

Picture this: The cattle you

want to track are entering a packing house where 350-400 head go down the line every hour; one carcass gets graded about every 8-10 seconds. There are literally hundreds of people

working nonstop. No one is going to stop the chain just to make sure someone has all of the information they need on a particular carcass.

They can't afford to.

If the chain stops, Bass explains, "You've got 300 to 400 people on the kill floor with nothing to do, and let's say they're making an average of \$10/hour. And, if by stopping the kill floor you miss 50 head for the day, that means the processing department is unable to make its daily run. And that's another 500 to 600 people."

All told, he says you're talking about a cost of \$10,000 for every hour the chain isn't running, besides the opportunity cost on the carcasses that didn't go through on a particular day.

Moreover, Bass says, "Packing plants are constructed to size and most today are undersized." In other words, most plants run more cattle through them than they were designed to run. "So, we don't have an extra five or six rails to sort cattle off to and let lots of people come in and study them," Bass says.

### Corralling the chaos

With that in mind, data collectors have their hands full. It is, literally, a long and winding road from where cattle enter the packinghouse to the hot-carcass scale where each carcass receives a packer identification (ID) number. There is no way, logically or economically, to assign a person to each carcass so it can be followed and properly identified.

Instead, an amazingly reliable system of sequencing begins. Liz Senn of Diamond S Consulting personally collects individually identified data on about 70,000 head each year in Monfort's plants.

In a nutshell, Senn heads to the packing plant at about 4:30 in the morning. She sifts



PHOTO BY BRAD PARKER

**It is a long and winding road from where cattle enter the packinghouse to the hot-carcass scale where each carcass receives a packer identification (ID) number.**

through the pens and finds those on which she is supposed to collect data. Once those cattle start coming through the door, she's writing down tag numbers — before their ears are cut off — then sticking what they call a head tag or gang tag on the carcass. These gang tags are cross-referenced to the ear tag number.

Ultimately, when carcasses go across the hot scale, a person there records the gang tag and the packer ID number assigned to the carcass. In just minutes, a live steer has gone from wearing an ear tag to being identified with a gang tag to being matched to a packer ID number and cross-referenced back to his original ear tag number. From the time the steer's ear tag came off to the time he was assigned his packer ID number, the only

identity that mattered was his sequence on the rail.

In the case of producers wanting complete carcass data — quality grade, ribeye size and whatnot — carcass collectors return to the packinghouse 36-48 hours later when USDA graders evaluate the carcasses, following along and recording the additional data, using the carcass ID number to reference it back to the animal tag number.

What could possibly go wrong?

At the packinghouse, surprisingly not all that much, as long as the producer and the feeder have done their jobs letting the packinghouse and data collector know when the cattle are coming. If those cattle arrive with easy-to-read ear tags,

CONTINUED ON PAGE 18

the success rate in the packinghouse is phenomenally high.

"What challenges you is when you have to stop for lots in between, then start up again," Bertelsen says. As well, some of the carcasses in lots being tracked may be railed off for further inspection. When that happens, the sequence is shot and the cattle are out of order if the collectors aren't paying attention and accounting for it.

Still, Senn says, "As long as we know the cattle are coming, I'm confident we can get the data right in this plant 98% to 99% of the time. My biggest concern

is keeping the ear tags simple ... There is a lot of work and money involved in this, and I want to be able to get the information to the producer, but I'm not a mind reader."

### Keep it simple

Sam Hands of Triangle H Grain and Cattle at Garden City, Kan., says, "The biggest problem we've run into is that everyone has their own numbering system. You get some tags in here that look like they have an entire cattle biography written on them." Hands gathers carcass data on

about 90% of the cattle in his feedyard.

All of the tag information that might make sense in the pasture — everything from ID number to sire code to birth date to dam number to Uncle Chester's tee time — makes cross-referencing them just a little easier than dropping a mosquito with a BB gun.

And there's more.

Sometimes, these cattle show up at the packinghouse door wearing three tags in each ear, all different colors. Remember, someone is trying to figure out which part of these walking



## Start at the start

"Most people today just say they want carcass data, but they don't understand what they're going to get until they get it," says Mark Nelson, coordinator of Angus America, which collected data on about 125,000 head last year. "It's so new to some people that they don't know the questions to ask yet."

For perspective, producers usually can choose from four different levels of carcass data. And, with some coordination, a producer can receive this data on cattle whether they're sold live, in the beef, or via a specific grid or formula.

"The first is pen information. You send a pen of steers to the packing plant, and you get a kill sheet back on them," explains Ted Montgomery, director of the Cattlemen's Carcass Data Service (CCDS) at West Texas A&M University, which has collected data on about 63,000 head the past two years, for a total of 286,332 head since the service started in 1992.

Basically this pen information tells a producer how many head fit into each quality grade and yield grade category, gives the average carcass weight, and tells how many cattle were too heavy, too light, dark cutters or any other reasons for discounts.

"It's valuable in knowing what your cattle did, but it's not particularly valuable in looking ahead," Montgomery says, explaining it doesn't allow specific selection decisions because there is no way of knowing which individuals were responsible for the good and bad of the pen.

"The second level of carcass data is where you select a certain number of individuals out of a pen and gather their individual data, let's say 50 head out of 300," Montgomery says. In this scenario a producer tracks the identity of each

of the 50 animals, then collects complete carcass data. Along with individual weights and quality and yield grades, a producer also receives details on the factors that contribute to quality and yield grade, things like fat thickness and ribeye size.

"This is often useful to commercial producers in order to see if their breeding program is on the right track," Montgomery says. Of course, this data only offers a macroview because it looks at only a subset of the cattle, and in commercial operations typically there is no way of knowing which calf is sired by which bull.

Next, Montgomery explains, producers can get the pen information described earlier, cross-referenced to individually identified animals. This offers the quality grade, yield grade and carcass information for each animal individually; each animal's ear tag has been transferred at the packing plant to maintain the specific identity of the carcass. While it allows producers to see how each individual contributed to the overall average of the group, Montgomery believes it limits selection decisions because it doesn't include the specific factors that contribute to quality grade and yield grade.

Finally, Montgomery says, "The next level of carcass data is where we track the animals individually and we collect the complete quality and yield grade factors." Without question, this level offers a producer the most complete carcass snapshot of the cattle, but it may not be a picture every producer needs.

Janet Lynch, director of information transfer for Heartland Cattle Co. at McCook, Neb., explains, "It's great to have complete individual data, but I don't know how many people are really to the point of using that, as opposed to pen data."

billboards to jot down as they enter the packinghouse.

"Ideally, producers would use a tag with a simple numbering system, and one in each ear in case the cattle lose one," Nelson says.

Conway agrees. "One of the poorest ways to identify cattle is with an old producer tag and nothing else," he explains. "By the time those calves go to the feedlot and on to the packer, a high percentage of the tags are lost."

Moreover, Hands points out, "A lot of producers use what I call the magic marker. It may work when they're a calf and when they're a weaned calf, but by the time they're a yearling we're lucky to be able to read them, and by the time they get to the packer, I'll guarantee they have a tough time reading them."

That's one reason many feedyards put their own tags on cattle as soon as they arrive. Although the number is different from the ranch tag, it's not an obstacle to individual tracking as long as the producer asks the feedlot to cross-reference the feedlot tag number to the ranch tag number.

In fact, those feedlot tags can offer extra identity insurance, as can using a simple numbering system and stamped tags rather than those written by hand.

"We'd like to get to electronic identification tags because it would speed things up here and you can avoid some mistakes, but it's not foolproof yet, and cost is still an issue," Hands says. If collectors have to write down EID numbers rather than read them with a scanner, the mile-long numbers can be cumbersome.

## Electronic opportunities?

Briefly, plenty of folks are betting the industry winds up with some sort of electronic ID as standard, but until then, electronics come with their own unique set of challenges.

For one thing, the cheapest electronic tags today cost about three times that of a traditional tag. More vexing, though, at this

stage of the game, few stockers and feedlots are set up to read the electronic tags.

Consequently, Lynch says, "It adds one more number that has to be cross-referenced because a ranch still has to use a visual tag. And a lot of times these cattle will go through three or four facilities before they reach the packer, and each of those facilities, plus the packer, has to have the ability to read those tags."

Of course, the future could be closing fast.

"The industry is not yet to the point of seamless, automatic data transfer, but we're light-years ahead of where we were just a few years ago," says Glenn Smith, U.S.A. country manager for AgInfoLink, a company that specializes in helping producers gather information on their cattle from cradle to grave.

"Every major packer in the United States either has an automatic system already in



place or is considering some sort of automatic data-capture system," Smith says.

Rather than tracking carcasses by cross-referencing different numbers, an animal would enter the packinghouse with an electronic tag in its ear, which automatically would beam its number to a trolley system that would follow the carcass to the hot-weight scale, where the carcass ID number would be attached, also automatically.

Excel Corp., another of the nation's largest three packers, is currently investing lots of time and money in a system like this. Glen Dolezal, Excel's technical services manager, explains each of its six packing plants already is outfitted with electronic readers and tracking systems.

Tied to it is a system that will, at chain speeds, provide four different backfat measurements, ribeye size (along with length and width), total marbling, adjusted marbling, lean and fat color, abnormalities, and lots

more in addition to current USDA carcass information. Dolezal says the system is currently about 85% accurate, and they won't begin using it until they can obtain at least 95% accuracy.

#### Communicate some more

Until technology catches up with expectations, communication is still the most effective hedge producers have today in their quest to get back the carcass data they ordered.

"The time to get involved in the whole process is beforehand and not afterwards," Nelson says. "I know they're paying someone to collect the data, but the more they can do to get involved in the process, the more apt things are to go the way they want them to."

Up front, Hands says it boils down to tagging the cattle clearly. Next, tell the feedyard you want carcass information before you send the cattle. "Then

reinforce it as the cattle are ready to market. You may almost have to be a pest about it," Hands says.

Schurr calls the packing plant and the collectors when the cattle are heading their way. Besides giving them a heads-up and making doubly sure they know he wants the data, he'll also share a physical description of the cattle and their ear tags to help them recognize them.

"Then go through some type of program where you have other people helping you coordinate the process,"

Conway says. Besides helping steer you through uncharted waters on the front end of the journey, the same people can help you analyze the results.

Incidentally, Nelson suggests, "If a producer can get the yard to weigh the cattle individually before they're loaded on the trucks and record their ear tag numbers with the weights, you can piece back together lots of things from that." In other

CONTINUED ON PAGE 20



words, if something would happen that carcasses got out of order on the packinghouse rail, you have a live weight and a carcass weight to try to sort it out.

After all, even when everyone in the system does everything they're supposed to, which they usually do, any time humans are involved, errors will creep into the system.

If something does go wrong and your data doesn't get collected, chalk it up to experience. There are no guarantees in the cattle business, and no one offers an ironclad guarantee on carcass data collection. But they'll usually get it, and they'll probably feel worse than you do when they don't.

"I'd rather go to the dentist and have five teeth pulled than have to make one of those phone calls," Nelson says. "They'll hit times when the data

won't get collected or the data will be so disappointing to them that they won't want to believe it. There are pitfalls, but it's one of the roads we have to go down as an industry."

### Carcass data ups the ante

Make no mistake; buyers are raising the bar of acceptance every day. "Feeders are really wanting to know which producers have the better cattle. Think of it, they can spend a couple more dollars per head and find out who has the better cattle," Schiefelbein says. "They see an economic return to it. The cost is at a level where you can get the information back and make money on it." If you use it.

"The real frustration is that everybody says they want the data and that they need the data, but do they use it?" Hands wonders. Especially as the industry moves away from



Tag information that makes sense in the pasture can cause confusion in the yard and at the packinghouse. For the best luck, use a simple numbering system with duplicate tags in each ear, use permanent ink or prenumbered tags, and ask the feedlot to cross-reference their feedlot tag number with the ranch ID number if they retag calves.

commodity cattle toward specification beef, he believes, "If you want someone to buy your cattle again, you'd better know what they're doing."

"Get involved and find out. There's nothing to be scared of because if you're not on the right track you need to know it, and the sooner the better,"

Schurr says. "As we keep more records and find out more information, it's going to boil down to the fact that if you can't make your customer money they won't be back. That's where we've always been, but customers couldn't track it as close before."

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