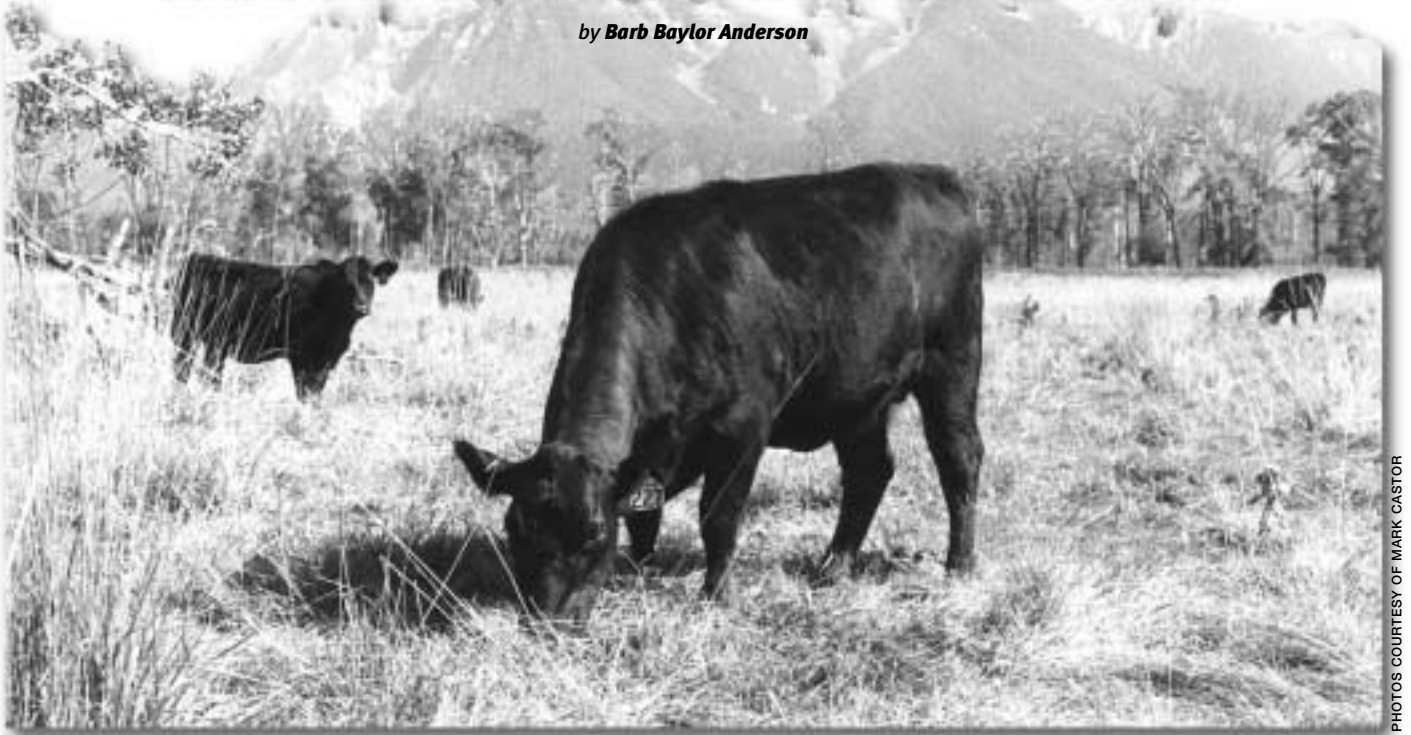


# Glory B

Montana rancher supplies Angus genetics for natural beef business.

by Barb Baylor Anderson



PHOTOS COURTESY OF MARK CASTOR

**M**ark Castor doesn't back away from progress. In fact, some might say the Harley-riding rancher embraces change.

As owner of Glory B Angus Ranch, a family corporation, Castor has a knack for trying new ideas to improve the profitability of the ranch, which is located near Saint Ignatius, in the Mission Valley of western Montana. He believes some of those ideas, including involvement with Montana Natural Beef LLC, can ultimately lead to a healthier business bottom line.

"Starting up a natural beef company may not seem like the most sound business idea for the middle of Montana, but those of us in the company are hard-headed ranchers who foresee a profitable business," says Castor, who serves as director of cattle operations for Montana Natural Beef. "I got involved with the group because I saw it as a new, hopefully profitable, opportunity for Glory B genetics."



## Solid Angus base

Castor, who began his career working on a commercial ranch in eastern Montana in the 1970s, learned early the benefits of having a black-based cow herd. In 1975, he moved to the western part of the state and bought his own Angus heifers from a producer in Canada. He transitioned exclusively to Angus cattle in 1982. Today, Glory B runs 200-250 Angus cows, sells Angus bulls by private treaty and conducts an annual production sale.

"We AI (use artificial insemination) all of our cows over a 25-day period in the spring, and then use our own bulls after that," he says. "We select AI bulls based on strong maternal traits and, more and more, also on carcass traits. Our goal is to achieve low birth weights and maximize growth, and we find the female is the strongest contributor of those traits."

Castor markets bulls on the basis of those solid maternal and carcass traits, and works with commercial producers to integrate such

traits into their own herds. In his position with Montana Natural Beef, Castor also identifies producers interested in supplying antibiotic- and implant-free cattle to the natural beef program, and he encourages them to use a similar Angus genetics strategy.

"Most of the cattle used for Montana Natural Beef are not straight black, but they are 80% black-based and 98% black-hided," says Castor, who feeds out about 30 of his own Angus steers for Montana Natural Beef each year. "We have some commercial Simmental and Charolais genetics in the mix, but it is predominantly Angus genetics. Most of the cattle we buy have some Glory B influence."

## Carcass value

Producers who use Glory B bulls confirm the easy-calving and growth traits that Castor markets. But Glory B carcass traits are just beginning to be recognized for their value. While Castor collects ultrasound data on all of his bulls, only two customers have

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► Above: Mission Valley ranchers are trying to realize a higher return on their investments by developing a niche market for high-quality Angus-based natural beef.



► Castor markets bulls on the basis of solid maternal and carcass traits, and he works with commercial producers to integrate such traits into their own herds.



► Mark Castor transitioned exclusively to Angus in 1982. Today, Glory B manages 200-250 Angus cows.



► Mark Castor (center) feeds out about 30 of his Angus steers for Montana Natural Beef each year.

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ever requested that information, he says.

“We are scanning bulls mostly for our benefit at this point,” he explains. “Many producers here are just beginning to get involved with Beef Quality Assurance (BQA) to understand the importance of that feedback.”

The carcass data Castor collects reveal that Glory B genetics are on the right track for grading. Castor reports that cattle with Glory B ties in the natural beef program have graded more than 80% USDA Choice. Some have graded Prime, and very few carcasses have graded Select.

“I have been using Glory B bulls since 1990, and the grading on the carcasses is almost without flaw. We have not produced any Selects,” says Jerry Roseleip, commercial breeder who backgrounds cattle for Montana Natural Beef and also serves as the group’s executive secretary. “I have a herd of about 130 commercial cows with an Angus base, and I tried Glory B bulls to achieve higher weaning weights without hormone [implants] or antibiotics. Using Glory B bulls has led to weaning weights of 650-700 pounds (lb.) with no problem.”

### Feeding strategy

In addition to using a solid genetics package to boost weaning weights and carcass grades, both Roseleip and Castor say feeding is equally important.

“Carcass genetic trends are good, but we shouldn’t get carried away with them,” Castor says. “You can take a mediocre calf and feed him correctly, and you are less apt to lose money than if you start with a genetically correct animal and feed him poorly. You need the right genetics and feed combination.”

Montana Natural Beef’s feeding strategy involves an energy control program of corn, silage and hay, Roseleip explains. “We feed the calf only what it really needs to gain until it reaches 800-820 lb. Then we switch to an 80% corn ration with a mineral mix,” he says. “That is the fastest, most efficient way to improve grading.”

While effective, the Montana Natural Beef feeding program also presents challenges. Castor calculates feeding costs of 40¢/lb. of gain, compared with 33¢ for the average commercial operation in Iowa.

“We have to ship corn into Montana, which can be costly, but we have also learned that is the only way to feed these cattle out for natural beef programs. It’s a catch-22,” says Castor. “Our beef processing costs are

also higher because of our smaller-scale operation. Our processor has to pay to have the offal shipped away.”

While costs are higher than for traditional commercial beef production systems, Roseleip says Montana Natural Beef offers its backgrounders and cattle feeders the best possible prices for their involvement in the program.

“The small producers we work with are very conscious of the quality of their cattle. They can receive as much as 5% more on calf prices than they might receive at an auction or from an order buyer,” Roseleip says. “We don’t take a shrink or a commission, and we pick up many of the cattle from the producers. We pay the highest prices we can, which are usually 3¢ or 4¢ more per lb. over the local market, depending on the animal.”

### Beyond the Glory B gate

Montana Natural Beef purchases and processes about six animals per week, only contracting and buying to fill immediate market needs.

“You have to have a ready market. We’ve learned the hard way that you have to have buyers before you can sell the beef,” Castor says. “Fortunately, once people try natural beef, they like it. I think that is largely because with Angus cattle you get the job done well and end up with a consistently higher-quality product.”

Castor says the main challenge is pricing the beef. Even though they offer a value-added, niche-market product, customers still largely view beef as a commodity.

“We try to target consumers, restaurants and wholesale and retail outlets that know exactly what natural beef is, how it tastes, and are willing to pay more for that,” Roseleip says. “We have as customers several high-end restaurants across the country taking the center cuts and reporting the product is consistently marbled and tender.”

In addition, Montana Natural Beef supplies the IGA supermarket in Missoula, Mont., with whole sides of beef. The supermarket positions the beef as an Angus-based product and as a natural beef product. “Angus sells,” Castor says. “The Certified Angus Beef LLC (CAB) program has done a tremendous job in positioning Angus beef with consumers.”

The problem with marketing, however, comes once the center cuts are sold.

“We are always looking for markets for the end meats — the ground, rounds and

## Montana Natural Beef at a glance

Six ranching families in the Mission Valley of Montana created Montana Natural Beef LLC in 1999. The group’s desire was to develop a niche market for high-quality Angus-based natural beef to realize a higher return on investment by taking their product right to the consumer.

“We are a diverse group that includes small and larger producers who get along well and share the same goals,” says Jerry Roseleip, executive secretary for Montana Natural Beef. “We all want to have a market for the cattle we raise and to market the beef ourselves for a profit.”

The Montana Natural Beef team guarantees to consumers that the beef is produced without antibiotics or growth-promoting hormone implants. It uses that message to highlight beef quality and tenderness. Montana Natural Beef markets wholesale carcasses directly to consumers, wholesales boxed beef to grocery stores and wholesalers, and sells retail cuts to restaurants and high-end beef cuts through Internet Web sites. The group also hopes, eventually, to provide cooked beef for delis and ready-to-eat meals.

In addition to natural beef, the group markets the premium beef that ends up not meeting natural beef certification due to therapeutic treatments. All of the beef is processed at federally inspected plants.

“It’s a lot of work, and we literally have to market one head at a time right now,” Roseleip says, “but we believe in what we are doing. It’s a great experience for those who want to get back to genetic improvement and natural feeding programs without antibiotics and hormones.”



chucks,” Castor says. “We are slowly making some breakthroughs, such as using some of that product in different flavors of beef jerky, but it is a constant challenge to get those cuts marketed. We want to do whatever works for the customer, but we also have to get creative in our approach.”

Montana Natural Beef markets high-end beef cuts via the Internet. While the company experienced some disappointment when its primary broker eliminated its Internet presence, Castor says they did scramble to find other ways to service those Internet customers. Montana Natural Beef is also a featured product on the Mission Mountain Market Web site, [www.mt-missionmtnmrkt.com](http://www.mt-missionmtnmrkt.com).

“Our goal right now is just to stay in business,” Castor says. “We have made mistakes because we have a ranching background, not a marketing background. But we are breaking even and learning to get help where we need it.”

### Future plans

Last fall, Montana Natural Beef received a U.S. Department of Agriculture (USDA) grant for more than \$300,000 to spend over

the next three to four years to help it build its business. The federal funds will be used both to contract with a marketing company that can help Montana Natural Beef expand its reach and to be invested in new equipment and inventory management.

The company is also working with a state group to create a database that analyzes beef pricing strategies. “We want to determine where we ought to be on prices,” Castor says. “When chucks don’t move in the summer and we have to freeze them, for example, we want to know how to price them to keep from losing money. We think our pricing has been on target, but we want it to remain effective.

“It’s a real eye-opening experience for a registered Angus breeder to get involved in a project like this,” Castor says. “It takes more time and money than you think. The Angus business has been very good to us, and registered Angus genetics work well in a natural beef system.”

