

Putting AngusSource to Work

Buyers are taking note as program differentiates cattle of known Angus influence from other black-hided cattle.

Story by Troy Smith

Last fall, two rather grim-faced order buyers approached Matt Perrier, who rides herd on the American Angus Association's AngusSource program. The program was still brand new, but that pair of order buyers had already watched calves wearing white AngusSource ear tags come through a central Kansas auction market.

"I sensed a certain amount of disdain for the program," Perrier,

director of the Association's Commercial Programs Department, grins. "I found out it was largely because a group of AngusSource-tagged calves had brought several cents per pound more than the bulk of 'black' cattle consigned that day. The buyers were not overly enthused about having to pay more for those cattle."



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►These cattle aren't just black-hided. The white AngusSource tags show they are progeny of Angus genetics.

In talking with Perrier, the buyers learned what many of their colleagues have since come to understand — that the AngusSource tags provide a way to differentiate cattle of known Angus influence from other black-hided cattle. But the white tags also represent a means of accessing information about the animals' sources, their genetic backgrounds and how they were managed. With that kind of information behind them, the cattle should be worth more money.

"That is what the AngusSource program was designed to do — turn documented information into dollars," Perrier adds. "Many buyers recognize the value in cattle of known origin, genetics and health history. But it's up to producers to convey this information in a simple, standardized format that will command these added values."

Launched in August 2003, AngusSource addresses issues relative to the eventual implementation of mandatory country-of-origin labeling (often referred to as COL or COOL) for beef, and systems providing traceability of individually identified animals. Perrier says, there is no guarantee that enrollment in AngusSource will satisfy finalized country-of-origin labeling requirements; however, the program does offer producers the opportunity to document the kind of information specified under proposed rules.

AngusSource enrollment costs \$1 per head, and is open to feeder calves or replacement females that were sired by registered Angus bulls, or born to cows sired by registered Angus bulls. Program cattle receive ear tags customized with numbers for in-herd use. However, each AngusSource tag also bears codes indicating state and herd of origin, and a U.S. identification (ID) number assigned to each individual animal. Add information about genetics, management protocols, and individual or group performance to the AngusSource database, and participating producers have a means for creating a marketing profile for their cattle. They can show potential buyers why their cattle are worth more money.

Make it your own

According to Perrier, producers are free to implement their own decisions regarding cattle management, health programs and marketing options. But those decisions are enhanced when information about enrolled cattle and their availability is posted to the AngusSource Web site. Reports on enrolled cattle are provided to auction market operators and shared with buyers.

Rancher Kendall Rathbun, Ellsworth, Kan., breeds his commercial cows to

registered Angus bulls and typically markets calves through a local auction market. Last fall, Rathbun enrolled his preconditioned steers and heifers in the AngusSource program, wanting to draw attention to the quality genetics they represented.

"I can guarantee they are Angus — not just black. And with talk about country-of-origin labeling so heavy on the wind, I think it will become more and more important to have calves source-identified," Rathbun states.

"We also provided information about how the cattle were handled, including vaccinations and boosters, and the fact that no implants were used. Learning all they can about the cattle gives buyers more confidence."

Rathbun believes it helped the sale of his calves — the heifers in particular. The bidding revealed buyer appreciation for replacement-quality females with a documented history. Also convinced that buyers bid more for females with a known background is Gardiner Angus Ranch, Ashland, Kan. The seedstock operation's management team recognized how AngusSource could help their bull-buying customers merchandise replacement females.

In fall 2002, the Gardiner family collaborated with three longtime customers to conduct a sale of commercial females featuring the influence of Gardiner sires. In 2003 the sale was expanded to include five Gardiner customers providing cattle representing similar breeding and developed under similar management practices. The herd health programs for each participating ranch were overseen by the same veterinarian. And, at Mark Gardiner's suggestion, the participants also agreed to enroll their collective offering — some 1,100 head — in AngusSource.

"I saw the program as a good way to provide an audit trail," Gardiner says. "It establishes a record of every animal's point of origin. Plus, buyers had access to all of the background information. Being able to tie it all together was well worth the cost of \$1 per tag."

Consignor John Adams agrees. The Meade, Kan., rancher believes providing traceability and genetic background added value that was reflected in the sale's success.

"In my mind, health history is just as important," Adams adds. "Knowing how cattle are handled and managed will be an even bigger issue in the future. Buyers are going to want to know all they can about the cattle they bid on."

Boosting buyer confidence in the health and management, as well as the genetics behind their bull buyers' cattle prompted



endorsement of AngusSource by Summitcrest. In preparation for a fall sale of bred commercial females from seven Nebraska customers, Summitcrest paid for the tags and enrollment of the 750-head offering.

Summitcrest's special projects coordinator, Marty Hultman, says it was an easy decision. Providing that service to their customers helped increase quality control and emphasized the accountability and integrity of the participating producers. And, Hultman adds, it's a positive reflection on the Summitcrest program.

Hultman tells of a friend who raises and sells high-dollar hunting dogs. Every one of the man's pups receives a tattoo, an implanted microchip and a DNA test. This system of source ID provides traceability, which preserves the integrity of his breeding program.

"Using a source identification system raises the rancher's level of credibility. While AngusSource is still new, I think it's imperative that we get on board and start using it to separate our cattle from commodity cattle that are black, but not necessarily Angus. Use it to market the breeding and management that lend quality to the cattle," Hultman says.

Among the consignors to the fall 2003

Summitcrest-influenced sale was William Zutavern Cattle Co., Dunning, Neb. The Sandhills firm has a reputation as a source of replacement-quality commercial females, and Shawn Zutavern admits he was skeptical about gaining any advantage from AngusSource. In retrospect, he is glad that Summitcrest took the initiative.

"Now, I'm certain that it helped. Because of the drought in this area, we sold fewer cattle locally. More went out of state, to areas that aren't so dry. I know the listing on the AngusSource Web site brought a Missouri buyer that probably wouldn't have been there otherwise. He came because he knew our Aled (artificially inseminated) heifers were the kind he was looking for, and he ended up buying the majority of them," Zutavern says.

"You know how ol' cowboys are; we don't like change. And we dislike having to spend any more money than we have to on production or marketing of cattle. We always wonder if we'll get paid back," Zutavern says, smiling. "In the end, [AngusSource] paid. It benefits both buyer and seller."



▶ AngusSource tags are white and can be used at any time before a calf leaves its herd of origin.

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