



Summitcrest — On The Front End

by Jenny Stickley

"If you want to make money in this game, you gotta' be on the front end... not the back end!"

Renowned Angus enthusiast, David McMahon, featured this quote by Rex Harl in his 1993 Belle Point Ranch brochure. This philosophy is obvious in the Angus business.

The American Angus Association has been, and continues to be, a pioneer in many production and marketing practices — from implementation of the Certified Angus Beef Program to the introduction of interim expected progeny differences (EPDs) for carcass traits.

This foresight was most recently exhibited during Summitcrest Farms' 15th annual tested bull sale March 15 in Broken Bow, Neb. The evening prior to the sale, Summitcrest Farms hosted a seminar for potential buyers. The seminar was titled, "Breeding Carcass Qualities For Today's Market."

The timing seemed perfect for this type of seminar, explains Sam Johnson, Summitcrest Farms. The Association's introduction of interim carcass EPDs, the release of the National Beef Quality Audit findings, and the large number of Summitcrest cattle linebred for carcass quality played key roles in the decision to host the educational seminar

"Prior to the National Beef Quality Audit, there was really no benchmark for carcass quality in the industry," says Johnson. "This has generated significant interest on the part of our customers and commercial producers."

Seminar Highlights

The dinner seminar featured Gary Smith, Monfort Chair in Meat Science, Colorado State University, and Larry Dorsey, CAB Program director of cattle production programs. Smith highlighted the results of the National Beef Quality Audit, emphasizing product inconsistency and overproduction of fat as major industry problems.

The audit found carcass nonconformities cost the beef industry about \$279.82 for every steer/heifer processed in the United States during 1991.

Genetic management accounted for an estimated \$248.32 of the total cost and

can be classified into two categories: mismanagement of acceptable genetics and genetic non-conformance.

Because the current fed cattle marketing system places the same value on fat as it does on edible lean muscle, the genetic ability to produce a desirable carcass at a leaner endpoint has had limited opportunity to be expressed. Smith indicates, however, genetics are available to produce Yield Grade 2 carcasses with acceptable marbling levels.

In relation to genetic nonconformance, the audit illustrated that some cattle were "born to be misfits." This group includes cattle that simply do not have the genetic ability to produce a desirable carcass under any imaginable management scenario.

Smith says improvement in this area will only be accomplished by eliminating those parents from breeding herds.

Realizing the audit objective with the greatest opportunity for improvement is genetic management, Larry Dorsey stresses the current resources available to accomplish this goal. Dorsey explained the Association's increased emphasis on expansion of the carcass data base and the implementation of an interim carcass EPD program for young cattle, which was adopted in January 1993.

He points out that even prior to the National Beef Quality Audit, the Association was working with producers to collect carcass data and identify Angus sires producing progeny with carcass traits that could improve the acceptance rate for the CAB Program.

The Angus sire testing program for progeny carcass merit has been designed to benefit both commercial and seedstock producers of Angus cattle. Nearly 60 new bulls will be evaluated in more than 50 commercial cow herds during the spring 1993 breeding season.

Summitcrest Initiative

After the need for improvement and resources available had been identified by Smith and Dorsey, the Summitcrest staff followed through by making available interim carcass EPDs on sale bulls which data could be calculated from sire and dam information.

The Summitcrest team even established their own carcass quality cate-

gories by identifying Super Carcass Sires (SCS) and Double Bred Carcass Sires (DBCS).

Audience feedback and sale results indicated the time and energy devoted to this educational process was worth the effort. Johnson says one feedlot operator who attended the function was both amazed and pleased they offered the seminar.

"He had the opinion that the industry was always beating on the feeder to get things done," says Johnson.

What is the driving force behind Summitcrest Farm's initiative? Johnson pinpoints experience in retained ownership. "Few seedstock producers have fed cattle; they don't have that point of reference," explains Johnson. He adds that until seedstock producers' customers demand changes, few seem willing to acknowledge the importance of carcass quality.

Summitcrest has long recognized the quest for quality as the obvious solution to the industry's "war on fat."

The Summitcrest team doesn't plan to sit idle at this new plateau. They continue to establish new partnerships with commercial producers, feedlot operators and the CAB Program. In fact, Summitcrest has just entered into contracts to test five new bulls on a set of 750 cows, two new bulls with another 200 cow herd, and three new bulls on a set of 500 heifers.

"These projects will allow us to go into commercial settings and show what genetics can do on a group and individual basis," Johnson says.

Generating more progeny carcass data at a younger sire age is also on Summitcrest's agenda. Summitcrest plans to obtain data for yearling bulls on their very first calf crop. Furthermore, in regards to increased data collection, Johnson adds that every new sire they use will be evaluated for carcass traits. Future plans are to only use sires with positive carcass traits.

Current programs of the CAB Program's supply development division make utilizing the available resources for genetic improvement of carcass quality accessible to all Angus producers. In fact, thanks to the efforts made by Summitcrest and other pioneers, being on the front end today is a whole lot easier than being on the back end!

New CAB Symposium Dates Set

As the Certified Angus Beef Value Discovery Project steers head to market, it's time to begin making plans to attend the wrap-up symposium. The program, originally scheduled for August 2-3 in Denver, Colo., has been changed to August 3-4 to accommodate schedule conflicts.

This will be a unique opportunity for Angus producers to learn more about becoming a competitive player in the beef industry's quality era.

On Tuesday, August 3, the symposium will begin with a tour of EXCEL's Ft. Morgan plant, a licensed Certified Angus Beef packer. The tour will allow participants to see firsthand how commodity beef carcasses and CAB carcasses are processed, fabricated and distributed to retail and food service accounts around the world. In addition, it will provide a close examination of the carcass traits addressed in the National Beef Quality Audit.

From Ft. Morgan, the group will be transported to Colorado State University's campus at Ft. Collins. The focus of this symposium segment will be the relationship of live animal to carcass characteristics. Bill Mies, Texas A&M Universi-

ty, will explain how producers can conform to quality requirements. Daryl Tatum, Colorado State University, will then lead participants through an informative exercise in predicting end product value through live animal evaluation.

A session on the industry-funded CARDS program will then provide insight into what type of product retailers are demanding to keep beef as a competitive protein option for today's consumers.

After a relaxing evening at one of the CAB Program's licensed restaurants in Denver, symposium participants will begin the next morning with an awards breakfast. Top Value Discovery Project achievements will be recognized, and leaders from the seedstock, commercial, feedlot and packing industry segments will share advice on how to be progressive participants in a quality-oriented market.

The symposium is open to anyone interested. Registration will be free for Value Discovery Project participants. Others will be charged a minimal fee of \$50. Registration materials will be available after May 24 by contacting Kelly Elkins, project coordinator, at (303) 420-0936.

Certified Angus Beef Program Sees Record Month

February was a record month for the Certified Angus Beef Program licensees who marketed more than 10 million pounds of Certified Angus Beef Product. That is a nearly 40 percent increase over the program's 7.2 million pounds marketed in the same month a year ago.

The 10,075,289 pounds sold in February 1993 exceeds the program's 9,327,912 pounds sold in all of 1984. This growth is attributed to an increase in supply of Certified Angus Beef Product, according to Louis "Mick" Colvin, CAB Program executive director.

CAB Program has increased its product supply with the addition of licensed packers and the supply development division's efforts to increase availability of Angus-type cattle meeting the CAB Program's live animal and carcass specifications.

"The Certified Angus Beef Program strives to meet consumer demand for high quality beef while keeping product integrity in the forefront," Colvin says.

Growth in retail, food service and export markets also played a key role in the record month.

Sales increases were experienced in all three target markets when comparing

February 1993 to February 1992. Retail sales of 3.8 million pounds of Certified Angus Beef Product in February 1992 jumped 59.1 percent to 6 million pounds in February 1993. With 661,200 pounds sold in February 1992, export division sales increased 49 percent to 985,500 pounds. The food service division increased 11.4 percent, from 2.7 million pounds in February 1992 to 3 million pounds in February 1993.

Program licensees include 25 packers, 18 fabricators, 23 retail distributors, 48 food service distributors, 22 exporters, 792 retailers and 791 restaurants. Some 6,000 additional restaurants purchase Certified Angus Beef Product for its quality, but these establishments are not licensed to promote the product.

In fiscal '92, more than 93 million pounds of Certified Angus Beef Product were marketed to consumers through restaurants and retail outlets in U.S. and international markets.