

A Nebraska cattleman finds success with an experimental, flexible approach.

STORY & PHOTOS BY STEVE SUTHER

on't ask Bob Kaup what's new unless you have some time to take in the report. There's always

something new with this innovative Stuart, Neb., commercial Angus producer who admits to being an experimenter.

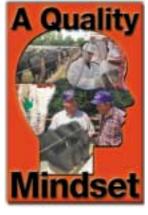
"I've always been one to try different things," he says. "If you don't try, you

don't know if you can get anything done."

Kaup converted his Sandhills ranch to intensive rotational grazing six years ago, thus reducing hay needs. He then moved calving back six weeks to April 15, starting in 1998, to better fit his resources.

In those days, he operated a restaurant in Stuart and got to

know neighboring Angus producer Bill Tielke, who was in the food business with a heatand-serve sandwich company.



The two formed an alliance that allows Kaup to run his 240 cows with Tielke's 80 on corn stalks near Atkinson, Neb., from October through January. The two cattlemen use the same consulting veterinarian, Gregg Hanzilicek,

Atkinson, who coordinates health and nutrition programs for their herds. First attracted by the replacement heifers that are a product of artificial insemination (AI), Kaup buys the Tielke calves. In time, Tielke will produce replacements for both, using sexed semen and embryo transfer (ET), Kaup says.

# **Retained ownership trial**

Drought was the mother of invention last year when Kaup found himself short of pasture and hay and long on calves, with both the 1999 yearlings and the soon-to-be early-weaned 2000 crop. He'd talked about retaining ownership and gathering individual data through Angus GeneNet. Word got around.

Local Certified Angus Beef LLC (CAB) licensed feedlot partner Larry Carlson of Sandhills Cattle Feeding, Bassett, Neb., called.

"I didn't know Larry, but I looked his feedlot over and liked how everything was set up, good protection and all," Kaup recalls. He sent the yearlings there. "It's only 40 miles away, so I could check on them more often."

Then, faced with a failure in meadow regrowth, he decided to place his steer calves there, too. He had calf-fed the big end of his 1997 steers, but that was when he calved in March. The steers weighed scarcely more than 400 pounds (lb.) at their Sept. 1 weaning and were barely five-weights after preconditioning. He had doubts, but he thought feeding was a better alternative than letting them go too light in a drought market.

Besides, he would learn something.

The experimenter wanted to use ultrasound to predict outcome on the yearlings. This time Carlson had his doubts, preferring his trained eye. Nevertheless, he lined up the scanning, as well as DNA blood sampling, on the Kaup cattle.

As a CAB feedlot, Sandhills is part of the Ohio State University (OSU), CAB-sponsored field study on DNA testing for carcass potential. Blood samples from the known dams and nonimplanted, consecutive calf crops — both yearling and calffed — made a welcome addition to the OSU studies. Kaup won't actually glean information from the DNA work until the OSU test is commercially available, however.

Kaup's cattle are "95% Angus," primarily derived from Sitz Angus, Dillon and Harrison, Mont., where Kaup has shopped for bulls since 1980. His parents, A.H. and Gertie Kaup, started with Angus "before it was cool," he says. They bought bulls from the current generation's grandfather, Bill Sitz Sr., in the 1940s.

# **Herd direction**

The few black-whitefaces among Kaup's 240 cows are a result of some mainly terminal crossing with Hereford bulls, but he keeps a few heifers when he can't resist the eye appeal. Recent ultrasound of the 2000born replacement heifers shows the crossbreds have less intramuscular fat than his Angus, however.

That's important to Kaup; he aimed for superior carcass traits on the 2001 Hereford purchases and plans to add positive marbling as a requirement for Angus bulls. The main selection criteria always has been a combination of calving ease and yearling growth, producing females that thrive on lowinput, paddock-rotation grazing.

### NOT AFRAID TO TRY CONTINUED

Heifers must calve at the same time as the cows, though he is moving to a 45-day breeding period. "I get my most fertile and efficient heifers bred," Kaup notes. He used to calve heifers a month earlier. "We have no more problems breeding back now than then because, calving so close to grass time, the heifers don't lose much body condition."

Now, if a heifer loses a calf but it's not her fault, Kaup takes one away from an old cow. He won't forgive poor mothering or a wild nature in a heifer. He has the records to prove that such cattle don't deserve a second chance and should not be allowed to produce replacements for the herd.

This year, 77% of the mature cows calved in the first 21 days of calving, following a 60-day breeding season. They weigh 1,100-1,200 lb. — not big by area standards, but well-suited to Kaup's managementintensive system. Stock must be moved within hours of the ideal time or risk a combination of pasture damage and lower performance. It takes commitment, but there are many advantages that include gentle cattle, heavier stocking rates and ongoing pasture renovation, Kaup says.

A few years ago, he rotated heifers around a subirrigated meadow in the spring to tromp



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in clover and improved grass seed that had been broadcast with fertilizer. It was a kind of wetlands grazing that required exact timing, but the payoff was an improved meadow mix to replace the "slough grass" that had been dominant. Kaup weans on the meadow regrowth when possible.

### **Relying on EPDs**

One disadvantage of cell grazing, Kaup says, is that his cows graze as a unit, requiring use of multiple sires. That makes it difficult to evaluate the sire side of genetics, specifically, and he looks forward to the day when affordable DNA testing can link sire to progeny.

Until that day, Kaup focuses on cow records and uses bulls with similar expected progeny differences (EPDs). He recalls those first bull-buying excursions when EPDs were new and, therefore, naturally captured an innovator's attention.

"When I first started going up to Montana, I didn't know much," he says. In the late 1970s, Kaup's father still bought bulls for the family operation. "I said I wanted to be in on that, too, so we went to sales together," he says. "But we could never agree on which bulls to buy, and sometimes we'd come home without a bull." In 1980, Kaup went to the Sitz Ranch bull sale by himself.

"I saw all this new information on EPDs - didn't understand much about it, but I don't think anybody else did, either. I remember thinking, if Bob Sitz went to all that work to get the numbers on these bulls, they must be worth something," Kaup says. That first year or two, he says he bought good-EPD bulls without paying many premiums because "everybody else was still mainly going by looks. After that, it got to where the bulls with top numbers - I couldn't even touch them."

Now Kaup goes for balanced EPDs, a philosophy that Jim Sitz



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agrees makes the most sense. In fact, Sitz says the most valuable bulls now are those with EPDs in balance across the spectrum and with proven individual performance.

"That's why we use the top 20 bulls out of our performancetest feedlot each year," Sitz says. That's from a group of some 600 herdmates — steers, heifers and bulls. Selection criteria include EPDs that reflect "low to moderate birth weight, high growth performance, and average or better marbling and ribeye."

Sitz doesn't ordinarily advise customers to retain ownership on feed when the price for calves is at the high end of the cattle cycle, "but if they can afford to take the risk, it can be a good experience." He says producers can't learn as much from selecting a few for "steer tests" as they can from feeding a uniform cut of the top or bottom end of their calves. Sitz has retained ownership every year since 1980, and he observes, "the last seven years have not been very kind to us in dollar profit, but we have learned a lot."

## **Feeding lessons**

Kaup figures he beat 98.4% breakeven on feeding his two groups, but he is still sorting return through the lessons to learn. "My main objective when I started Nor feeding was to follow them on feed through and see what they would do," he says. "If they aren't doing anything, I better do something — **"You have to**"

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do something maybe change bulls."

As it turns out, Kaup doesn't plan any change in bull selection, except to make sure the marbling EPD is

above breed average. That's not single-trait selection, he points out, because the stipulation comes on top of everything else he wants. Closeout reports from Sandhills and Angus GeneNet say his cattle are on the right track.

The yearlings were harvested in late fall and early winter, achieving 89% Choice or better and 37.5% *Certified Angus Beef*<sup>®</sup> (CAB<sup>®</sup>) or better. That seemed like a hard mark to top — until the first 61 of the calf feds went to ConAgra's Grand Island, Neb., plant May 8. They graded 98.4% Choice and 44.3% CAB or better (with 24.6% Prime), returning average premiums of \$43.32/head.

None of the cattle were held on feed to achieve higher grade, Carlson notes. "Some of them were no more than a year old,

> but they looked like they had at least reached the Yield Grade 2 level," which is his cue to market them. The settlement sheet reported them just into the Yield Grade (YG) 3 area for the most part, averaging YG 3.35,

with no YG 4s.

Carlson says customers can feed for less if their cattle have the genetics to grade Choice or better as YG 2s at a young age because of more efficient gains. He and Kaup were surprised and pleased at how well the calf feds performed and graded, reaching market a month before projections.

#### **Staying flexible**

Does that mean Kaup will feed steer calves again this fall?



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"We'll have to wait and see a bit longer," he says. "I don't like to get set on any one thing, but stay flexible."

It depends on how much hay and meadow regrowth he's looking at this fall, too. "Last year was kind of a forced deal — I'll probably do a little more experimenting and feed some calves, but in general I'd like to see them get a little bigger before they go to the feedlot." In the near term, Kaup must decide whether to feed the heifers not selected as replacements that will come off grass in July and August.

This winter is time reserved for detailed number crunching, Kaup says. He continues to gather information, having bought electronic scales a couple of years ago, but he lacks confidence to sort the data on the computer for fear of losing some. He's hiring outside help to get at the bottom-indexing cows.

"You have to keep working on getting better cattle all the time. Find the ones that aren't producing up to the standard, and get rid of them," he says. "If you don't do that, pretty soon you'll be on the side."