

Being Angus Is Not ENOUGH



COMMENTARY BY JOHN STIKA

Tough, tender, dry, juicy — whatever. It was all beef, right? That's what the industry force-fed consumers through the 1980s and into the 1990s. A cheapened USDA Choice and new-but-never-improved Select grade were put forth with great expectations. "Buy and enjoy what we produce — it's what's for dinner," the industry told consumers.

Producers weighed most genetic and management decisions on a narrow scale: What's in it for me, here and now? We rarely thought about things like eating quality, dining experience and exceeding consumer expectations.

Then consumers began to walk away.

After years of losing market share, beef producers began to suspect they were off track. The industry's 1991 National Beef Quality Audit (NBQA) was a wake-up call, planting a seed that grew into a renewed focus on consumer preferences. If only we had known they wanted beef that tastes good every time! Of course we can see it now: You can't expect consumers to pay more than the cost of competing proteins for something less consistent in value.

Fortunately, the message finally got through to the market in recent years, where it has been broadcast in the form of

premiums and discounts. The effect on profitability dictates production of cattle targeted to meet consumer expectations. To the extent that we act on this message, the beef industry is shifting from a commodity to a quality mentality.

Consumers won the battle of wills, but now we can see that's the only way for producers to

win. Moreover, of all the 80-plus breeds that contribute to the beef supply today, Angus has gained the most. In combination, the breed's inherent end-product attributes and cow-herd efficiencies have

created a pull-through effect that increases the value and prices paid for Angus and Angus-influence cattle.

Demand for Angus bulls at the commercial level continues to grow, and prices paid set the pace far ahead of other breeds. Angus feeder cattle continue to set the market and to realize more dollars than their non-Angus contemporaries do. The Certified Angus Beef LLC (CAB) "Here's the Premium" study of U.S. auction market prices shows a \$12-\$15/head premium for black calves of known Angus genetics.

Times are good if you are in the Angus business at the purebred or commercial level,

especially if you've read the market signals. Angus cattle in general, like "Angus" beef, have an excellent reputation, but that is at risk from within if we fail to watch those signals.

Consumers are learning the hard way that "Angus" on a package of beef is not necessarily a mark of quality. They may learn to look for the *Certified Angus Beef*® (CAB®) brand, or they may walk away, having been disappointed by another brand sporting the Angus name.

In the same way, cattle feeders and partners lacking information on black calves are justifiably quick to remind us that not all Angus cattle are created equal. Cattle that look like Angus or Angus crossbreds too often fail to perform up to their reputation. Usually, nobody knows why a set of cattle, bought at a premium, didn't hit the target, let alone exceed expectations.

Today, more than ever, the industry is searching for those cattle that can perform on feed and produce well-marbled, high-cutability carcasses. They've had a taste of the right kind of Angus cattle, and they want more. Are they out there? Left to chance, the industry might never find them. But through genetic selection, we can make cattle capable of hitting the targets and building the breed's reputation.

It's not enough that they are Angus cattle — they must be Angus cattle aimed at a target.

Case in point, Iowa State University researchers recently analyzed the 100,000 records in the CAB carcass database. They found that, for cattle that met all eight CAB carcass specifications, the phenotypic correlation between fat cover and marbling score was almost zero (no relationship). Yet, for those failing to meet carcass certification criteria, the correlation was 0.38, indicating that as backfat increased so did the marbling score.

The data suggest simply feeding generic "Angus" cattle longer may increase the percentage of USDA Choice carcasses. But it won't necessarily

increase the percentage attaining the higher premiums for a Modest degree of marbling or better, and it risks creating Yield Grade (YG) 4 misfits in the attempt. Most importantly, the data say we can expect cattle that have been genetically selected to hit the CAB marbling target to do so independent of whether they were harvested with 0.2 or 0.5 inch of backfat.

An animal's ability to hit performance and carcass targets is predetermined by genetics but manifest in management at every stage prior to harvest. Mismanaged nutrition or health implemented on superior genetics — at the farm, ranch or feedlot — surely impede an animal's ability to maximize its potential.

To get from commodity to premium quality beef, everything has to work together, and that takes information, communication and action. Angus producers have all the tools to get there.

The unsurpassed American Angus Association database makes genetic selection for specific combinations of performance and carcass traits easier. Angus Herd Improvement Records (AHIR) and the Angus Beef Records Service (BRS) help you capture and analyze carcass and feedlot information.

The CAB Feedlot Licensing Program (FLP) provides the conduit of focused feedlot management to ensure your reputation Angus cattle realize their potential.

You can't cut corners if you want to build a good reputation. You learned that consumers would not gamble on beef of unknown quality. You're learning that beef industry segments downstream from you are less willing to gamble on calves of unknown quality.

They won't be force-fed generic Angus cattle at prices that can't be recovered on the backside of the feeding period. They simply will walk away when you can't back up appearance with pedigree and proof.

