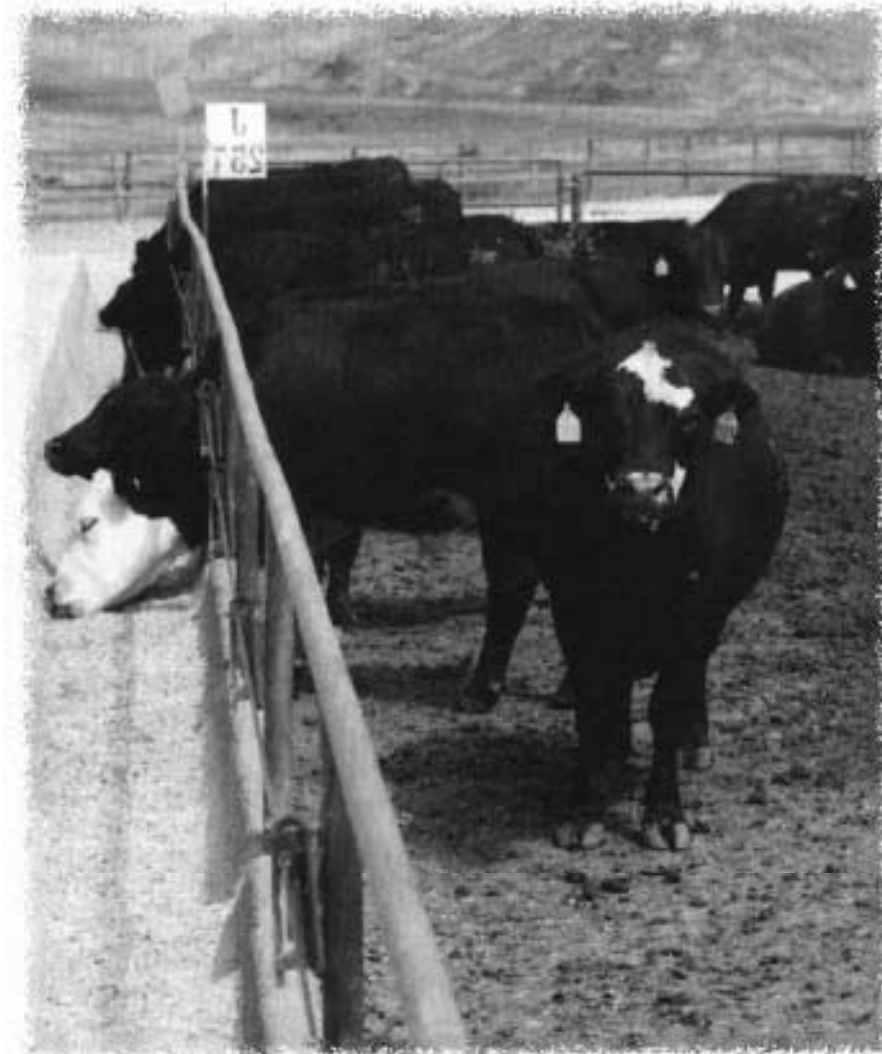


EFFICIENCY:

The Vital Unseen Ingredient



When making genetic decisions, seedstock and commercial cattlemen lay the groundwork for any efficiencies to be made or lost throughout the beef-production chain.

BY PAUL D. ANDRE

FILLING THE



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If feedyard managers and stocker operators had to describe the kind of cattle they want in only one word, that word would be *efficient*. A multitude of factors must work together to produce that efficiency, they are quick to add, emphasizing it's the responsibility of seedstock and commercial cattlemen to ensure that efficiency is the unseen, but vital, ingredient in every calf they produce.

Genetics are the foundation on which all the other building blocks of efficiency are placed. Without proper genetics for traits such as muscling, moderate size, quality and rate of gain, the best health and feeding programs are of little value.

Angus breeders overall have made almost astounding progress in genetic improvement, those interviewed for this article agree. That said, however, they also concur there is still opportunity for improvement based on data that can be obtained from performance and carcass expected progeny differences (EPDs).

EPDs lay groundwork

"Angus have turned around and really have the growth. I really admire what Angus breeders have done in recent years," says Jay O'Brien, a Texas stocker, commercial cow herd owner and cattle feeder. He notes, though, that while performance EPDs are becoming more obtainable, carcass EPDs are something of a problem to get because they don't seem to have fully permeated the industry. He says he believes such carcass information is necessary to speed the rate of genetic improvement and provide the ultimate consumers a product with the consistency, flavor and tenderness they demand.

"We want all the EPDs we can get. The more information the better," O'Brien says. Although mainly a stocker operator, O'Brien also is rebuilding his cow herd. "All the cows going into it will have some Angus in them. We have used Angus bulls in the past and are using Charolais now, but the next turn will be Angus.

"Our goal is to produce a calf that doesn't have a stocker stage. It will be heavy enough and have the frame and muscling to be weaned early, put on grass for 45 days and then go into the feedlot and grade when it comes out. What we want is an animal that will efficiently convert grass or feed to muscling and frame," he explains.

Buyer's wish list

"We don't get much premium at the feedlot today for grade. Certainly grade is important, but not as important as efficiency," O'Brien continues. He sells some cattle as yearlings, but he retains ownership on most of his cattle through the feedlot.

To point out how important efficiency is to him, O'Brien says he would prefer to buy good-performing cattle that won't grade to those that grade but don't perform.

If given the choice, he'd like to buy all the calves he purchases directly from a producer. "I'm not offered many strings of calves," he explains. "The bulk of what we buy are put together."

O'Brien also values animals that, once shipped to the ranch, won't get sick. "We can pay big premiums for animals that have been weaned and had their shots," he says. In his experience, that premium can amount to \$30-\$40/head for a string of calves that stay healthy. That's the price that has to be paid to get a bunch of put-together cattle over their health problems, he explains. Of course, weaning and proper vaccination can sometimes fail, and O'Brien says he has had an occasional string of calves that does break; but, he still prefers to pay a premium up front rather than treat for sickness down the road.

Management impact

Richard Winter, manager of Randall County Feedyard in the Texas Panhandle, is adamant about the kind of cattle he wants in his receiving pens. "They should have good stretch, good frame to pack the meat on, good red meat yield at slaughter and a good battery of immunizations prior to delivery.

"And if you're sending us heifers, send them open," he emphasizes.

Genetics do lay the foundation for the type of cattle he wants, but Winter says producers also have to follow up with good management to make the most of those genetics.

"We are still dealing with a large pool of cattle that are inconsistent, and with the packer consolidation we have seen, the demand for consistency continues to grow," he observes.

Retained ownership is down in many feedyards this year compared to the last two or three years, because economics have dictated many cattlemen sell their calves rather than feed them. But, notes Winter, "Cattle that people have kept at home feed better and have better numbers than those that are put together. That is particularly apparent this year."

Winter also adds that the Texas Ranch-to-Rail program has revealed a big spread in cattle profitability due to overall health and genetics.

"Cattle that are ready to go to work and that we don't have to handle will show the best returns for the owner," says Winter, adding that ranches need a management program that reduces stress when cattle reach the feedyard.



McLean Feedyard manager Neal Odom prefers properly vaccinated cattle weaned at least 45 days that have the potential to convert feed at a rate in the low sixes to high fives and grade Choice, Yield Grade 1s and 2s.

Cattlemen are becoming more aware of that need, Winter adds. "More than 70 percent of the cattle meet our health criteria.

"Angus and Charolais seem to be what packers are going to for acceptance of product and red-meat yield," says Winter. About 40% of the cattle on feed at Randall County Feedyard have some Angus influence.

"When you deal with averages, you can only tell if there is a problem," says Bill Harrison, manager of Excel's Morton Meats. "By identifying problem cows and bulls and eliminating them, you will improve herd efficiency."

"It is still a Choice-driven market, and we must be looking at the end product," Winter says. "This will become more and more of an issue as packing-industry consolidation continues. The industry has done a good job in moving away from the huge cattle to those with carcasses in the moderate range, but we must stay tuned to the needs of the end user and the results that are to be obtained."

Wean them at home

Neal Odom, manager of McLean Feedyard, McLean, Texas, backs up Winter and O'Brien on the need for bringing into

the feedlot efficient cattle with solid health programs. "We want cattle that will grade — quality and yield," he says, specifying he wants Choice, Yield Grade 1s and 2s. "Feed efficiency should be in the low sixes to high fives, and we want calves coming in that have been weaned 45 days and properly vaccinated.

"If you are retaining ownership, having the calves weaned for 45 days is a must. The difference between a 30- and 45-day weaning period definitely warrants the cost," Odom maintains. "Every five days is that much better for health and feed efficiency. We are learning more and more that what a producer does with his calves before coming to the feedyard puts more dollars in his pocket. A 45-day weaning period and a good vaccination program will result in good, solid cattle."

The last couple of years, Odom's feedyard team has been investigating differences in feed efficiency. "One thing we have learned," he says, "is a lot of people don't understand how to supplemental feed in the weaning process. They feed too hot a ration without enough roughage, don't have enough bunk space, and they are not feeding in a consistent manner.

"When cattle are confined, they all have to eat at the same time, and they must be fed at the same time each day," he continues. "By not doing this, they are damaging the liver, and this harms efficiency in the feedyard. If they create an acute acidosis situation, the liver will filter it out and wall it off, and then you have an abscess."

CONTINUED ON NEXT PAGE

EFFICIENCY

Odom says the ideal situation for the cow-calf producer to wean calves is to have a small pasture with plenty of quality forage available in it. The next best solution, if the forage is of poor quality, is to supplement with a ration not too high in energy.

Odom recognizes not everyone can background their calves on pasture. If they can't, he encourages them to work with a nutritionist.

"Don't shoot for high gains; rather meet the nutritional needs of the cattle," he advises, adding gains of 1.5-2.0 lb./day are the goal. "On quality grass, you will only need a protein supplement.

"The day is gone when you cut calves off the cows and put them on a truck I'm not interested in any cattle that are not weaned and vaccinated," Odom declares. "A producer should look at what he can do to make his cattle perform better. He should also keep in mind that least cost and best cost are not the same. Best cost will always give him better returns."

Identify what works

The Texas feedyard manager also advises producers who want to improve the quality of the end product they are producing to retain ownership. As a part of the process of herd improvement they need to build a long-term relationship with the feedyard that finishes their cattle. That means visiting several feedyards and finding out their skills and where producers feel comfortable placing their cattle. Even if ownership is not retained, a long-term relationship needs to be built. Within three years producers should have developed a place to market cattle for more money because they have established a herd history.

Odom explains that at McLean Feedyard every head coming in is individually identified. If a rancher also has an individual identification (ID) program, the IDs can be cross-referenced so the cattle can be individually evaluated. With this system the owner can discover and make decisions on which cows and bulls work and which ones don't, he adds.

O'Brien is a strong and vocal proponent of individual animal identification and would like a mandatory national system of permanent animal ID. He quickly admits there is some strong opposition to this idea, particularly from those who see it as more government interference in an industry that is prone to viewing government programs with a jaundiced eye. However, he maintains, the positives far outweigh the negatives.



"I am convinced if we can get permanent animal ID nationwide, it would be the most positive force for improving the quality and consistency of our product our industry has ever seen," says Jay O'Brien, a Texas stocker, commercial cow herd owner and cattle feeder. "I'm not at all scared of the accountability that comes with this tool."

"With permanent animal ID we could have so much more information on the cattle," O'Brien declares. "I could search my database and know how a set of cattle will perform and be able to give a premium. We could isolate progeny. When the calves were finished and sold for slaughter, the data could be available, even if the calves were sold to 20 different places. This would mean you wouldn't have to retain ownership to get carcass data. It would build a database that would be tremendous, and it would provide feedback so we could produce for a certain market.

"If you're sending us heifers, send them open," emphasizes Richard Winter, manager of Randall County Feedyard. While genetics lay the foundation for the right type of cattle, Winter says producers have to follow up with good management to make the most of those genetics.

"With gene mapping and ID, suppose we had a bull with the right tenderness genes, we could find that out and packers could pay a premium for that kind of dependability. If we were producing an inferior product, the system would tell us, and we would be penalized. In addition, it would provide source verification and

provide the ultimate buyers with the knowledge there is someone who would be accountable for the product produced," O'Brien says. "If there was a problem such as measles, the producer could address it. Animal ID would absolutely stop theft and it would give bankers a security interest, because, just like a tractor, they could find out if there are any liens filed against the cattle."

The technology is available, says O'Brien. "We just need the volume to make it economical. I am convinced if we can get permanent animal ID nationwide, it would be the most positive force for improving the quality and consistency of our product our industry has ever seen. I'm not at all scared of the accountability that comes with this tool."

Identify problems

There is a definite need for individual cattle information in order to identify where problem cattle are, says Bill Harrison, manager of Morton Meats for Excel. "When you deal with averages, you can only tell if there is a problem," he explains. "By identifying problem cows and bulls and eliminating them, you will improve herd efficiency

"The fact the beef industry is losing ground to the competition is a definite signal that if we expect to survive or stop the slide and improve market share, then it is going to have to come from a cooperative effort from all segments of the industry," says Harrison. "It will come from producing

CONTINUED ON PAGE 170

EFFICIENCY

CONTINUED FROM PAGE 168



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a quality product that is consistent and provides a satisfactory eating experience every time.

“We all know the English breeds are the ones that come closest to meeting the quality that is demanded,” he continues. “You see it reflected in the feeder cattle market. Usually the cattle with a prominence of Angus influence and the other qualities we are looking for will bring the top of the market. But the bottom line is there is still a lot of variation within any one breed, and the industry is looking for cattle that are consistently relatively high in quality grade, moderate in size, high in cutability and efficient.”

Quality grade has received more emphasis the last few years due to the hotel and restaurant business, and exports, says Harrison. Prime has always been in demand by the white-tablecloth trade. He says Certified Angus Beef™ products are an example of the high end of the Choice grade that quality-conscious suppliers are looking for now. Excel’s own brand, Sterling Silver, has similar specifications to Certified Angus Beef specifications but it’s not breed-specific.

In order for a producer to improve the product and make it more attractive in the market, Harrison says a program needs to

be found and used that provides information on which to base breeding decisions. There are a number of options from which to choose. Excel, he notes, has a policy to provide carcass information to producers if that information will be used to improve the cattle and not just as a wedge to get a higher price for the next set of cattle. A number of feed companies also have programs designed to give producers information on their cattle.

One example is Nutrena’s Beef Works. “They try to generate as much producer information as possible on individual calves,” Harrison explains. “Select suppliers can be set up, along with feedyards where the cattle are finished, so cattle can be monitored on an individual basis and at slaughter. This can tell the producer how his cattle graded, their yield, cutability and any outliers. Another possibility is to work with a feedyard that has a relationship with a packer so you can get feedback on what your cattle are.”

Those types of programs provide the measures of efficiency that can help determine if the right genetics are being selected to make the industry profitable.

