

# The Buckingham Group

With seven years of experience as an alliance, the Buckingham group in Virginia is enjoying the benefits of coordination.

Story and photos by Janet Meyer

**M**arketing alliances are nothing new. But the exchange of information on production and carcass merit between the alliances and other production segments is progressing steadily. With most of the alliances structured as either horizontal alliances (producers buying and marketing together) or as vertical alliances (grouping producers, feedlot owners and packers together), the overall focus of both appears to be beef quality.

The Buckingham group in Virginia would fit the description of one of the more successful horizontal alliances.

The group has grown in seven years to include 160 predominantly commercial breeders situated in a 35-mile radius around the Buckingham County Courthouse.

From this progressive group, members have gained overall information and knowledge to obtain more control over the price-negotiating process of cattle breeding and marketing. This also has allowed them to remain the small-scale, independent operations that are a vital part of the Virginia beef economy.

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► The Buckingham Correction Center Farm herd is managed by Clyde Brown, who takes advantage of the marketing program to sell feeders from a herd of 130 Angus-Gelbvieh females.

producers is evident, but so is the vast amount of diverse, firsthand knowledge and information that represents their many years of combined cattle breeding experience.

Jim Myers, the former Buckingham County agricultural Extension agent in charge of the program, says the alliance actually evolved from the Buckingham Cattlemen's Association, which was formed in 1978.

"The group has been generating a great deal of interest over the last several years with their continued growth and success," says Myers, now retired.

"Before they got started, I always called them a meet-and-eat group because, for the most part, their functions were of a social type. Around 1995, the feeder-

calf market started to change and dry up, and four of the more progressive producers decided to put together a load

of calves to sell. About the same time, somebody got the idea to put the minerals out on bid, and that was the beginning."

## Group buying power

Lin Jones is one of the members who was instrumental in purchasing minerals in bulk. The third generation of his family to breed cattle on a farm located in the north end of Buckingham County, Jones runs about 175 commercial females in addition to a flock of sheep and broiler houses.

Before putting the mineral mix out on bid, he recalls paying \$14-\$15 for a 50-pound (lb.) bag of minerals. A custom-mix, high-selenium, high-magnesium mineral was formulated, and several different companies were invited to bid on a semitrailer

load. The purchase price turned out to be half the price they had been paying. The group now purchases seven to eight loads a year.

"When we bought that first load, I know some of us had to take up the slack and buy a lot more mineral than we really needed," Jones recalls with a grin. "A whole lot of old-time farmers who were using salt blocks saw our cattle were doing better with minerals, and they started to ask questions about what we were paying. It only cost them \$10 to join our group, so things just kind of took off from there. I really think, with the association buying minerals this way, it has improved the mineral program in the county, making for a better calf crop."

## Genetic improvement

As the group expanded, the Extension service initiated a program to cooperatively produce feeder cattle of similar genetics with the contract going to the highest bidder. The group invited several stud services to provide artificial insemination (AI) for their heifers, guaranteeing at least 100 females to be bred. It worked so well that the group now offers a contract every year to the stud services to synchronize and AI cows and heifers using one or two proven bulls. Last year, 1,185 females were bred for the group.

Group member Roger Morris has been breeding beef cattle since 1952 and has made good use of the AI program. In addition to saving money, he has improved the genetic base of his herd. Located in the south end of

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Cooperating  
to Get Information  
PACKER



Jim Myers

the county, he and his sons run a herd of 120 purebred Gelbvieh females and 20 commercial females together. He markets all commercial feeders with the group and sells purebred seedstock.

“The cost of AI — with drugs, the semen and tech[nician] — would usually cost about \$20,” he says. “Last year it ran us about \$14 an animal, which includes semen, the breeding technician, synchronization and heat detection aids. You can’t beat that.”

“Initially the group was looking to AI all of the heifers to improve genetics and build the herds, but after it started, most of us got to breeding our cows that way, too,” he continues. “Now the program has grown to using AI on just about all the females. We have gotten good results with our breeding program because we can get calving ease to get them here, but we can also breed for that yearling weight that we need because we are selling pounds.”

As coordinator of the program, Myers chooses the bulls, looking for good carcass expected progeny differences (EPDs), a birth weight no greater than +3 and a high yearling weight. Last year, his choices were the Angus bulls Mill Coulee 6807-423 and White Oak Precise 6002.

Although members can use any breed of bull they want, he says most prefer to use Angus bulls because they are the best all-around breed with high-accuracy data. The breed also provides the marbling and black hide preferred by the Ohio and Pennsylvania feedlots, where most of the calves are sold. These feedlots mainly supply markets in Japan, as well as many white-tablecloth restaurants.

Cleanup bulls used on the herds are also the choice of individual breeders, and according to Myers, either Angus or Gelbvieh are chosen by most. Because the county is located on the east side of the Blue Ridge Mountains, fall calving is

provided for several reasons: there are fewer flies, the cows can winter on stockpiles of native fescue, and by spring the calves are ready to eat the flush of grass.

“The calves just keep getting better every year,” Myers comments. “This group of cattlemen had a good genetic base of cattle to begin with, and by using the bulls we do and keeping the good heifers as herd replacements, each group of calves is becoming more uniform and impressive.”

### Marketing together

Although the opportunity to market with the group is open to all members, only 23 of the producers take advantage of the opportunity to market their feeder calves in combined graded trailer loads.

With herds ranging from 25 to 300 females, it would be almost impossible for any one of the



► When members of the group get together, the sense of camaraderie among the producers is evident, but so is the vast amount of knowledge and information represented in their many years of combined cattle breeding experience. Shown are (from left) Roger Morris, Lin Jones and Clyde Brown.

producers to put together a 50,000-lb. single load lot of similar-type feeder calves, but by combining the cattle as a group, the problem has been alleviated. Last year the group combined 16½ truckloads of calves falling within a 150- to 200-lb. range.

Clyde Brown, manager of the Buckingham Correction Center Farm herd, takes advantage of the marketing program to sell feeders from a herd of 130 Angus-Gelbvieh females. As a state-owned institution, the farm is also used as a center for ongoing agricultural research programs for Virginia Tech and to raise vegetables that supply the kitchens of the Virginia Department of Corrections system.

“Being part of the Buckingham group has not only improved the center’s herd genetically, but makes marketing the cattle a lot easier,” Brown says. “We have sold feeder calves every year with them since the group was started. Before that, we had to take our calves to the Lynchburg Growth Sale or the sale barn and didn’t get good prices at all. It was really drying up, and that is one reason we started to group our cattle.”

“Now we have a really good sale. Last year we combined

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1,226 head of feeder calves in uniform loads and sold them straight off the cow through Virginia’s teleauction for a sale average of \$641. On one load of 800-pound calves, we got 89¢ per pound and were real pleased with that. It seems to get better every year.”

The Buckingham group, like most other Virginia marketing groups, uses the Virginia Quality Assured (VQA) feeder-cattle program as the standard health protocol. This program provides third-party certification of vaccination for infectious bovine rhinotracheitis (IBR), bovine viral diarrhea (BVD), bovine respiratory syncytial virus (BRSV), parainfluenza-3 virus (PI<sub>3</sub>), pasteurella and seven strains of clostridia.

The feeders must also meet other health requirements more stringent than just the VQA program. Calves that have a purple tag identification (ID) number in their ears are both health- and genetics-assured. Genetically this means the calves are sired by bulls with EPDs that are above breed average for yearling weight.

“Last year all of the calves sold by the group met the qualifications for a purple tag,” Myers says. “And each tag has the phone number of the president of the Virginia Cattlemen’s Association on its back. I can’t say we have never gotten any complaints, but there haven’t been many. But then again, there has never been a perfect load of calves, has there?”

Initially, the group marketed a few loads of cattle in conjunction with the Virginia Cattlemen’s Association teleauction. But in 1999, the group began holding a separate sale using the teleauction system each year on the first Tuesday night of August.

Grading is done two weeks prior to the sale by Myers and a state livestock grader. Each producer wanting to market feeders is visited, his calves viewed and an estimated weight established. A USDA feeder-cattle



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grade is assigned to the owner's consignment.

After all the cattle are seen, Myers, the grader and the group president formulate the sale lots to be offered. Because most lots come from smaller-scale producers, an attempt is made to minimize the number of separate

consignors on each load.

Prior to the sale, information on each sale lot, including a cover letter describing specifics of the VQA health program, is mailed by the Virginia Cattlemen's Association to a list of approximately 350 prospective buyers.

The group anticipates holding a bred heifer sale in a few years. For the present, heifers not used as replacements are either sold through private treaty or as feeders. Initially, heifers sold as feeders brought low prices because feedlot owners complained about heifers being bred. Since that time, the problem was alleviated by guaranteeing the heifers to be open. This is backed up by a veterinarian's pregnancy check with ultrasound. As with everything else, this is put out on bid by the group, and the veterinarian under contract visits about six farms a day.

If a heifer is found to be pregnant after being sold to a feedlot, the breeder must take the heifer back, return the entire purchase price and pay the feedlot \$1 a day for every day on feed. Members say they have built better bull pens to assure that heifers stay open.

### Information feedback

Myers says the fact that a lot of the customers keep coming back to buy each year says a lot about the quality of the cattle and lets the group know they are going in the right direction with their breeding program. However, the breeders would still like to be able to get data back on the cattle from feedlots and packers.

Early in the program, Myers says the group did retain ownership of a load of calves sent to a Kansas feedlot in order to get feedback. Calves were selected from the middle of everyone's herds, but with

shipping, it proved to be a difficult project.

Getting data back at this time is difficult, he says. "If and when the permanent ID comes through, then there will be an opportunity to get that information.

"It is just an evolving process, but I think alliances like the Buckingham group will continue to grow," Myers says. "Farmers are an independent bunch, but when things get tight, people are going to want to get into programs like this group."

Myers says that while vertical integration may be coming, he thinks it's a long time off. "If we ever go to the permanent ID and everything is sold grade and yield, then we are going to weed out all the outliers, and everyone is going to have to be mainstream to make a living."

