

By Jim Cotton
Editor

In 1986, Kansas emerged as the leading state in fed cattle marketings, 4.2 million. While the Sunflower State is not a lone colossus in the feeding-packing industry, the year 1985 was historic in that Kansas edged ahead of two other traditional giants, Nebraska and Texas in the number of cattle slaughtered.

According to Dr. Scott Laudert, extension livestock specialist with Kansas State University, 1986 commercial cattle slaughter in the state totalled 6,493,300 head with Texas and Nebraska killing 6,206,600 and 5,700,100 respectively.

The American Angus Assn. Board of Directors, on two-day marathon tour

Fact-finding underscores Board's Kansas tour

of the state's southwestern corner, witnessed what impact the area held for the future of feeding and beef packing in general and the breed's fortunes in helping shape those dimensions of tomorrow.

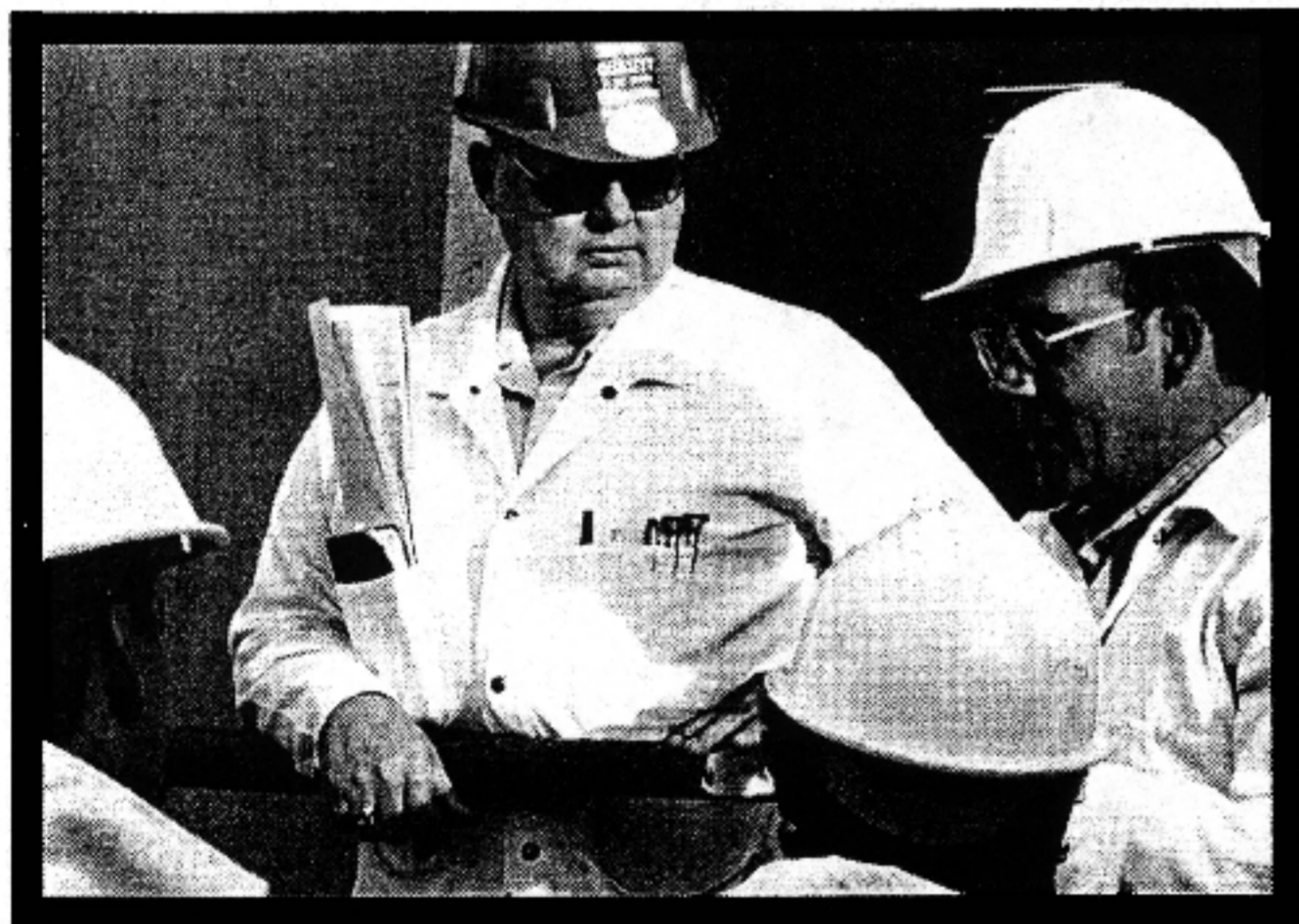
Approximately 75 percent of the state's feedlot capacity is located in Southwest Kansas. Nearly 96.4 percent of the 4.2 million cattle finished there

came from 180 lots. Most of the present and future expansion of the feeding industry is hinged on the abundance of feed stuffs grown there plus the packing-fabricating center that has either built new facilities or modernized existing structures. Dr. Laudert estimates daily slaughter capacity in Kansas to be capable of a 23,700 figure. Five of those plants are

National Beef Packing serves the High Plains

Four members spent nearly two hours observing all processes of the National operation. This plant can presently handle 4,500 cattle a day. Blueprints call for the eventual doubling of that capacity and flow.

Cattle are bought primarily through the High Plains area although buyers will venture into Nebraska, occasionally into Montana and the Dakotas, but "Colorado to Iowa, Nebraska to Texas" was described as the company's typical range.



Carl Sappelsa of the National staff prepares to lead an Angus group through the plant. CAB Director "Mick" Colvin on the right.

Typical runs will show 62-65 percent of the cattle coming from National will be Choice. A daily total of 28,000 boxes leave the plant each day not counting offal. Fifty trucks every 24 hours is a typical day's shipment.

The company has just installed a 3 million dollar state-of-the-art packing/cryovac machine. Carcasses are chilled 24 hours and then are put through the grading, fabrication, and shipping procedures.

Plant Manager Jack McLaughlin finds the current industry is hav-

ing difficulty staying just that—current. Quick gains with cheap grain have produced carcasses that are low to void in marbling. He's also found that Yield Grade 3 and 4's are not making Choice because the cattle are slaughtered at an immature stage.

Hitch Feeders II is one of three

Construction of this Hitch division began in 1969 as an outgrowth of the Guymon, Okla. base. It is a fully-owned subsidiary of Hitch Enterprises, Inc., a privately held and the largest family owned cattle feeding operation in the United States. Its Garden City site was selected because of the feed produced by progressive Southwest Kansas farmers.

The Hitch program at this lot—the other two lots follow different feeding regimes—is based on high moisture corn of 22-33 percent



The grinding operation was slowed because of heavy rains throughout the area the night before. When the season and deliveries are at the peak, the scales will record a truck passing over every 22 seconds, a pace that may ebb and flow for a month or more during harvest. Upwards of 4.5 million bushels are needed each year to feed. Harvest-time deliveries can run up to 350,000 bushels a day.

in the area where the Board toured and comprise more than 80 percent of the state's total capacity, or 19,350 head.

The year 1986 was the second consecutive year Kansas plants slaughtered more fed cattle than any other state.

It would appear the area's feeding and packing facilities change leads back and forth. As one meets or exceeds the other's capacity, there's a growth spurt and new levels are attained with each growing over time, seesawing for front position or falling behind. As of June, 1987, Laudert predicts current feedlot expansion, when completed, will add approximately 200,000 head of additional feeding capacity. State capacity will be increased by 11 percent to slightly more than two

million cattle, he believes.

The favorable climate and abundant supplies of roughage and feed grown under irrigated systems and on dryland is attractive for expansion. Present feedyard needs estimated by Laudert are 174 million bushels annually, and Kansas farmers supply that handily. Feeders in surrounding states also compete for milo and corn particularly. Wheat is fed and may comprise 40 to even 100 percent replacement value of the other grains if the price is favorable. Alfalfa, corn silage, sorghum silage, and by-products of the milling industry especially are other components of the typical Kansas ration.

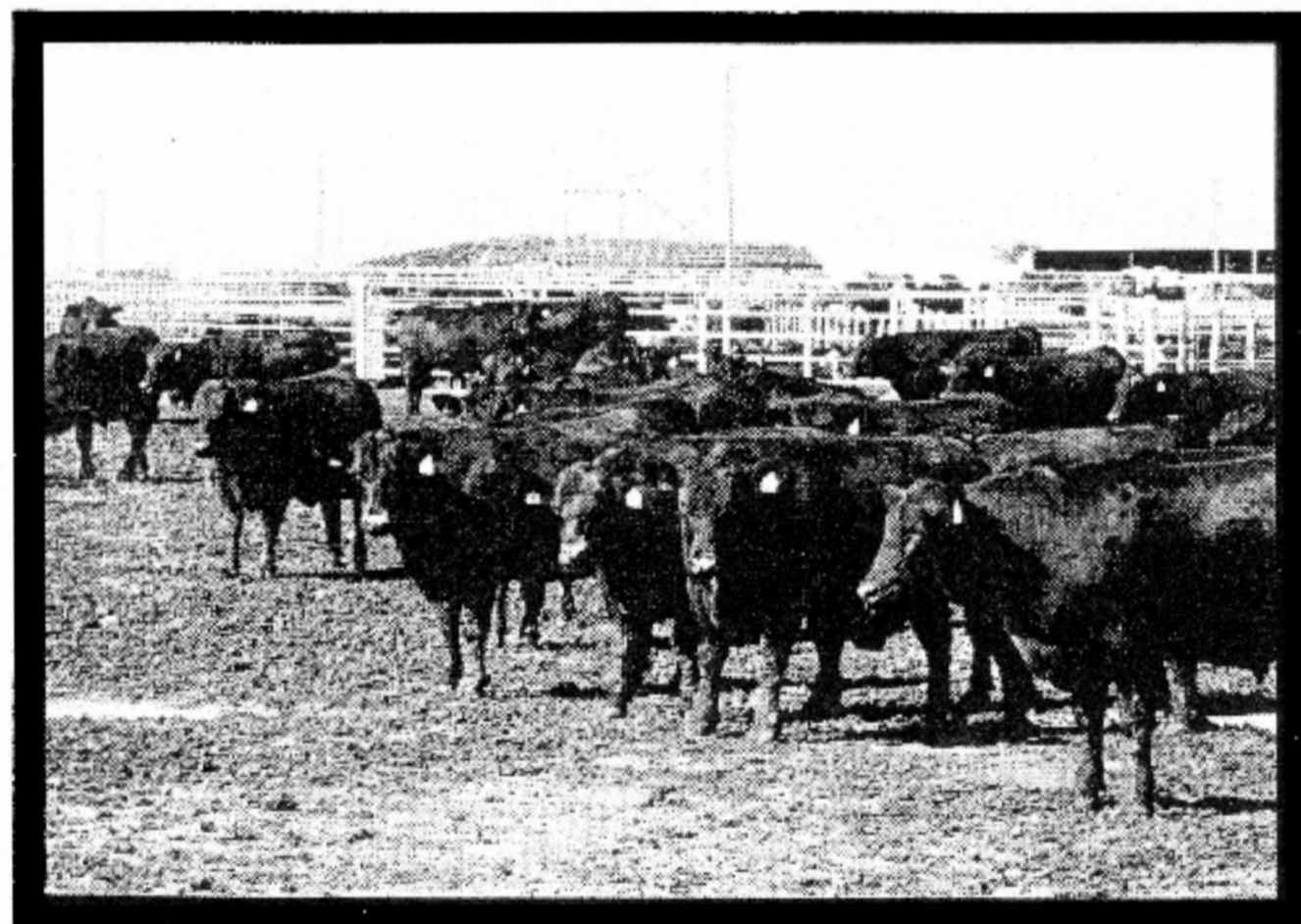
Fundamental to the Board tour was exploring Certified Angus Beef's present position in the minds of those feeding a healthy share of the

Midwest's cattle plus sample packer handling of the product. Reaction from both segments of the industry was of interest. For answers and insight, the entire Board of Directors, three regional managers, plus 12 staff members from the Association, the *Angus Journal*, and the Certified Angus Beef office were the guests of National Beef Packing Company, Liberal, Kan.; Hitch Feeders II at Garden City; Supreme Feeders, Inc. of Liberal; and breeders Gardiner Angus Ranch, Ashland, and Green Garden Angus near Ellsworth. Additionally, the group heard Mary Ferguson, assistant director of CAB, present a program on future prospects and possible limitations for Certified Angus Beef. A CAB board meeting was also conducted during the Friday evening portion of the tour.

moisture. Corn silage, alfalfa hay, cottonseed or soybean meal and protein supplements are typical supporting ingredients. Most of the ration is bought locally.

General Manager of the Hitch Feeders I and II lots, Dr. Bob Hillier, reports 120,000 head are typically finished yearly at the number two lot. Nearly 5 million bushels of corn are required to accomplish this plus 30,000 tons each of alfalfa and corn silage.

Hillier buys the corn in a variety of ways: at a price posted at



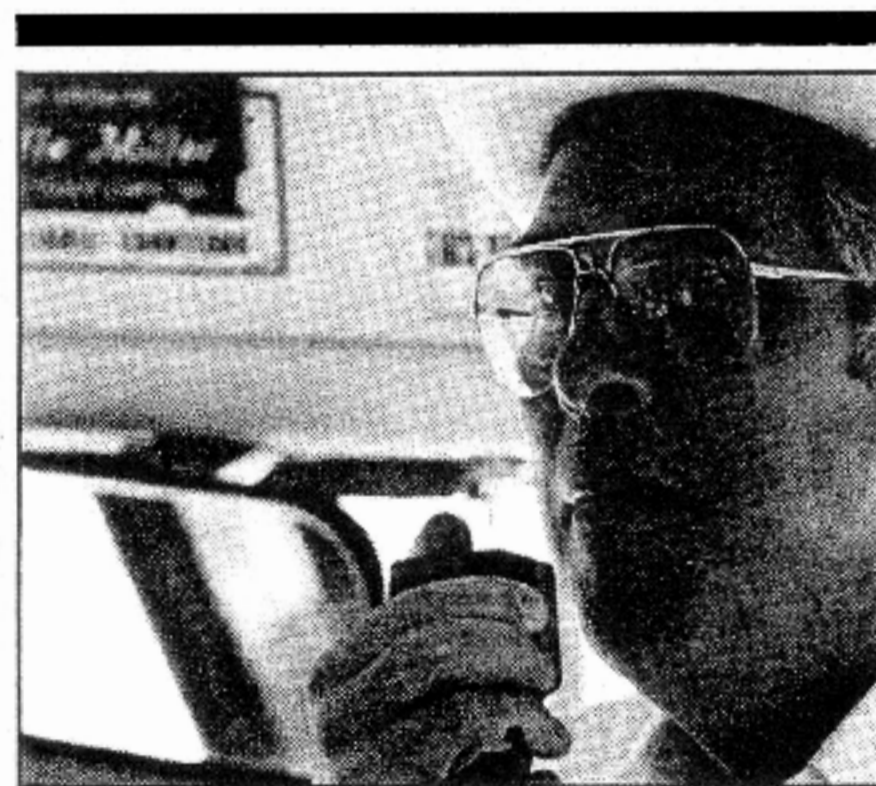
Board member Tom Drake, Davis, Okla., had a consignment of 55 head at Hitch Feeders II. This was their 87th day on feed. Average daily gain to date was 4.34 as computed by net energy calculations. "The scale ultimately tells the tale," Dr. Hillier cautions, adding he likes cattle to visually promise they have the capacity and volume to consume feed so they can gain. This lot was consuming 32.8 pounds per day which was estimated by Dr. Hillier to be in a range of 10 to 15 percent above yard average, but tempered by the apparent good conversion as the cattle approach their end time. Cost of gain currently was 37 cents a pound.

the elevator; on an open account basis subject to call or refusal; or on basis, the futures market, which he prefers as both parties can operate independently as far as the pricing is concerned.

Both the Hitch lot and the local farmers find considerable advantages in the high moisture arrangement as drying costs are eliminated and freight is not a major factor. The lot grinds the corn as it's delivered for better packing and keeping qualities.

The Hitch II lot has a one-time capacity of 45-46,000 head and can conceivably market 150,000 annually. Cattle are fed twice a day and depending on the lot and conditions, sometimes three times daily.

Only 10 percent of the year's feeding is devoted to heifers as the operation is geared to customer feeding and such arrangements are commonly rancher steer crops. Hillier finds variability to be among the biggest challenges in today's feeding industry. He pointed to one lot of long-fed Holsteins as his most predictable cattle available. These cattle are shipped in from the Los Angeles-Chino, Calif., milkshed at around 275 pounds and are fed for 10 to 11 months. Aside from their health problems, these calves emerge after the feeding period as some of his most predictable and, occasionally successful, cattle because of the consistency.



Dr. Bob Hillier, general manager of Hitch Feeders I and II and newly appointed board member of Certified Angus Beef. He says: "Feedlot managers will become better managers overall by being more alert for carcass merit. When there's a price spread of \$3 to \$15 between the grades, it tells me some component of quality—that is, marbling—counts."

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Supreme prefers steam-rolled

In contrast to Hitch Feeders II, Supreme Feeders, Inc., Liberal, Kan., puts its faith in a highly sophisticated steam-roller batch mill utilizing computer analysis and electronic mixing and monitoring controls capable of making minute adjustments to tailor the ration.



Supreme General Manager John Oringderff (left) with Joe Neely, American Angus Assn. president, during a roundtable session discussing common concerns throughout the beef industry. "We respect the breed for its gainability and marbling," Oringderff told the group. "But because of the youth of all current cattle today, we're fighting the grading. We don't have the maturity to bring it up. We're putting calves on full feed at 650 pounds."

Hitch Feeders utilizes mixer feeder trucks. Supreme's trucks are loaded with the rations and micro-nutrients already mixed and measured.

According to Yard Manager John Hatton, feed conversion on Supreme steers had been running at 5.86 as of August. The basic ration is 62 percent milo, 20 percent corn which are both flaked products. Other ingredients are added by computer-controlled tubes or augers. The lot finds straight Angus cattle finish, as a rule, a week to 10 days earlier than typical crossbreds.



Yard Manager John Hatton of Supreme Feeders, Inc.

In praise of pure milk

EPD devotee Henry Gardiner, Ashland, Kan., became a student and authority on the EPD concept back in the early 1980s when investigation revealed things weren't growing as well as expected. The Gardiner family has since made EPD and stacking pedigrees an industry catch-phrase as straight and cross-breeders across the nation have observed and admired their program.

It was 1980, the year the American Angus Assn. published its first EPD on bulls. Henry and his sons then began taking a second look at an acceptable average weaning weight in the eyes of most—and darn good in the experience of many—of 526 pounds. They started stacking pedigrees known for growth on top of one another. Selections were made from the new Angus Sire Evaluation Report.

The rest is history, one might say, but it's too simplistic to dismiss the rapid advancement and the significant future. In 1981, weaning weights pegged 661; 723 in 1982; 706, 1983; 736, 1984; 705 in 1985. The 1986 crop hit an average of 786 pounds, a group presenting "more stacked pedigrees than any other group we had ever raised," Henry notes. Average for the five years? Seven hundred-thirty one pounds. Henry expects to back off weaning weight gains as the 800-pound figure becomes possible. Concern over birthweights and cow size impose limits.

But the concept works: "You almost get hybrid vigor when you stack pedigrees—like adding two and two and getting five."

The Gardiners follow a fall calving, winter

The Gardiners can support high weaning and yearling weights because of the forage situation in this area and the retained ownership options available at nearby feedyards.



grazing, summer weaning program as that's when forage patterns fall best in Southwest Kansas. Grass turns brown in July but until then, spring growth and pasturing winter wheat during mid-fall through early spring provide a unique and welcome situation.

Grass and milk mix well in Gardiner's view. "Pure milk is a tremendous help to our program," he says of the EPD-measurement. "We really like it. Using bulls that are plus 10 or 20 for milk will help advance our weaning weights toward the 800-pound goal."

As might be expected, a short trip to the feedlot is in order for Gardiner steers at that point. The program followed presently is: "Off their mothers, catch an individual weight, wean in our own lots, put on Purina Receiving Chow, shots and implants. At the end of seven days, they're not bawling but are running to the bunks." Henry describes steers handled in this manner as pre-schooled for the feedlot. The 1986 steers posted an ADG of 3.59 from July 27 to November 19, 1986 weighing 1,199 coming out of the lot. Cost of gain was 38.7 cents.

"High EPD are producing an animal better, more efficiently and faster-gaining than I have ever seen," says Henry noting another virtue: "When you decide you want to change, EPD gives you the values so you can change direction in any way you want to go."

Systematic Selection develops buyer confidence

Angus breeders Richard and Shelly Janssen, Green Garden Angus, Ellsworth, Kan., weren't satisfied with merely offering a calf crop or a bull battery for prospective buyers to view. The Green Garden herd was modified five years ago on the heels of a disappointing ("disastrous," Dick labels it) calving season. Calves weighing 100 pounds from two-year-old heifers did not fit Dick's parameters for progress and he knew his customers would balk at the trend as well. He sensed a need for tailoring his program toward his customers' various levels.

The EPD measurement for birthweight appeared to hold the key tied to Richard's con-

cept of a systems approach to practical seed stock breeding.

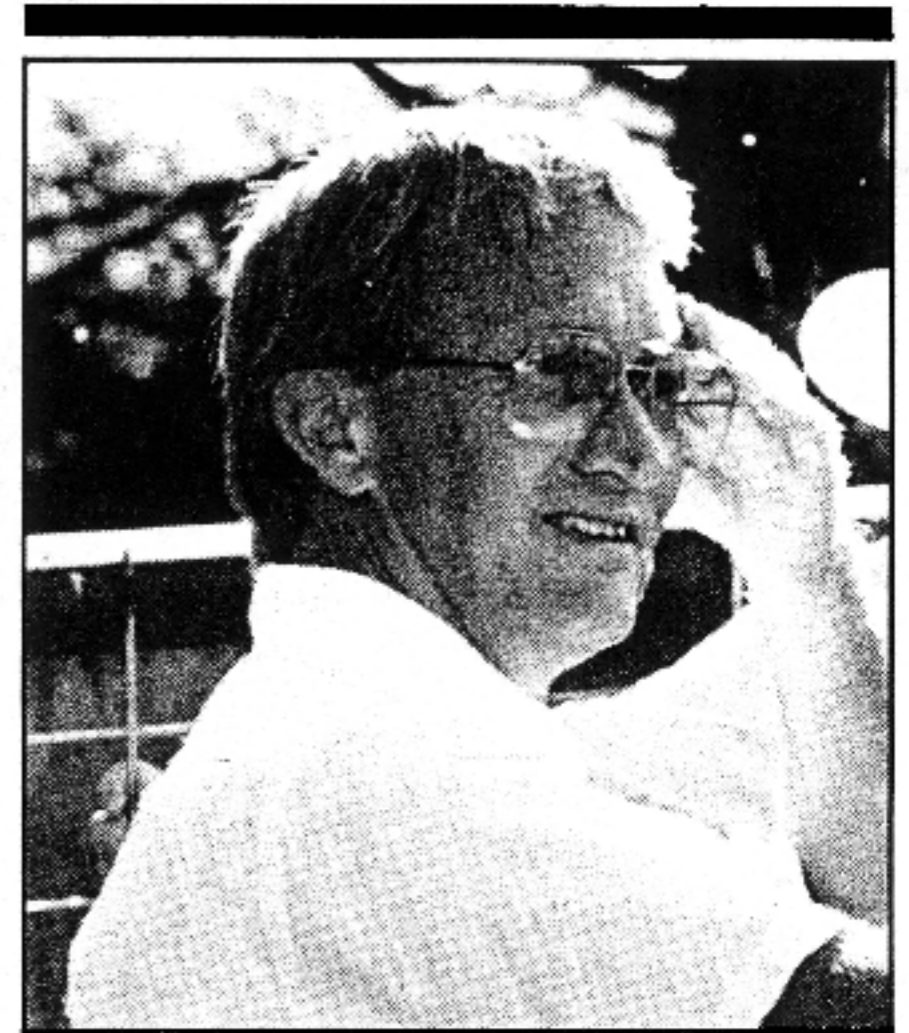
Resulting is a several-pronged program allowing genetic packages to be designed. Each pathway can perform specific functions for the commercial industry. The result makes seed stock selection simpler.

Calving ease is a first function. "Our breeding process is built around EPD for birthweight and actual birthweights," Dick points out. "Our second function is mothering ability. Therefore, we are interested in pure milk EPD that are breed average or above."

System One bulls can be used on heifers with little concern about calving difficulty. Birth EPD here will be minus 4 to plus 1 with actual birthweights of 65 to 80 pounds. Milk EPD will range from minus 5 to plus 15 pounds. Dick suggests this system as requiring a minimum of management and maintenance.

System Two is a combination program pro-

ducing cattle with larger mature size with higher EPD for weaning and yearling growth. Birth EPD of plus 1 to plus 4; actual of 80 to 95 pounds; milk EPD of minus 5 to plus 15 pounds are its characteristics.



Richard Janssen of Green Garden Angus, established in 1932. "We don't limit growth as long as the first two functions (calving ease and mothering ability) are maintained."

System Three is strictly focused on growth. Birth EPD range from plus 4 to plus 8 with actual weights of 95 or above are possible. Milk EPD would spread across a minus 5 to plus 10 pounds. Mature cows are needed here. "We recommend that females sired by (System Three) bulls be marketed along with their steer contemporaries," Dick says, adding System Three cattle are high maintenance and high management. **AJ**