

# Questions, Answers and Unknowns

*Feeding Quality Forum addressed today's challenges, future solutions.*

*by Miranda Reiman, senior associate editor*

In a demand-led market, it's profitable to produce the item that's in demand.

Speakers at this year's Feeding Quality Forum suggested beef is set up for that success in the year to come, and they offered ideas to keep beef on top. More than 200 cattlemen, allied industry and academia attended Certified Angus Beef's (CAB) 17th annual forum in Kansas City, Mo., August 23-24.

"I don't care where you're looking at in agriculture today, it seems like we've got a market that's going to be extremely volatile, and it's a fight between the central banks, the U.S. cattlemen, U.S. grain producers. That'll be ongoing for the next six or nine months," said Dan Basse, AgResource.

Inflation, drought, trade wars and

the Russia-Ukraine conflict all affect the normal balance of commodities. Global grain stocks on a per capita basis have declined the last six years, while worldwide grain production has nearly flatlined. AgResource predicts an additional 25 million acres are needed in the next five years to balance demand.

The United States doesn't have more land to devote to grain production, and demand for soy-based renewable diesel will pull acres from corn, he said. Any time there's a break in feed prices, Basse recommended feeders lock it in.

It wasn't all bad news.

"This demand, these high beef prices are occurring in a time when you all are still moving tremendous amounts of beef into the pipeline," Basse said. "This is a demand-led

market in beef and cattle. This is not supply-driven yet."

He expects beef to go higher through the fourth quarter and into 2023.

## Making risk less risky

Volatility is the key word, and Ryan Turner, with StoneX, said it's better to work with the swings rather than letting them surprise.

"There's not a commodity that you can find that you escape volatility—hogs, cattle, interest rates, fertilizer prices, foreign currency exchanges, etc. — they're all wildly volatile," Turner said. "That volatility is absolutely a risk, but it's also an opportunity."

A plan that worked a decade ago is not optimized for today, he said.

"I think a risk management plan



More than 200 people from production, allied industry and academia attended this year's Feeding Quality Forum in Kansas City, Mo.

should be constantly evaluated,” Turner noted. “The marketplace provides opportunities almost day to day.”

Good genetics are a hedge against changing markets, giving more flexibility in the finishing phase, said Brian Bertelsen, U.S. Premium Beef (USPB). Their data shows quality grade and weight are the two biggest factors that affect profitably when grid marketing. Feeding cattle longer is often a sound strategy, he said.

“So, bottom line, can you get rewarded even with high-price corn for staying the course, feeding for quality, marketing on a grid? Yes,” Bertelsen said. “My math says yes.”

Over the lifetime of the USPB, CAB-qualifying cattle have earned \$52 million in grid premiums.

“So trickle-down economics is working. You know, the CAB program was designed really to sell more Angus bulls. It’s safe to say it’s working,” Bertelsen said.

## Keeping beef the king

Feeders use quality genetics as an insurance policy, and consumers invest their dollars in quality meat options for the same reason.

“People are not just looking for price and looking for cheap. They want value,” says Anne-Marie Roerink, 210 Analytics, noting beef has a major advantage.

Drawing on the recent *Power of Meat* survey, she said even though year-on-year total fresh beef sales are down compared to the anomaly of 2020, they’re still well ahead of 2019.

“We still sell 3% more pounds of beef today than we did prior to the pandemic, despite prices having been up 23%. So that just means that the consumers, to an extent, have absorbed this price inflation,” she said.

The *Certified Angus Beef*® brand



CAB's Kara Lee (left) moderated questions for Brian Vander Ley, Miles Theurer and Kelli Retallick-Riley. The trio spoke about ongoing research aimed at reducing the number of feedyard deaths related to everything from respiratory to heart diseases.

has enjoyed a long-term trend of increased sales, settling at more than 1.2 billion pounds this year. That’s evidence of product performance, or delivering on the promise of quality, said Bruce Cobb, CAB executive vice president of production.

“Is it just going to continue to be about taste and tenderness and consistency? We think it is going to be more than that,” he said, noting the brand is working on cattle care and sustainability goals.

Abram Babcock, Adams Land and Cattle, said they build relationships with consumers both locally and in general but are amping that up.

“We’ve been doing things right as producers, but we don’t have data to prove it,” he said.

Examples include using individual animal identification to figure greenhouse gas emissions per head. That work will show current progress, and then arm cattlemen with actionable data to continue to make it better.

“I think of what that allows from a cow-calf/feedlot/packer perspective, we’re going to be able to pay for best

practices,” Babcock said.

Taking better care of the cattle and the bottom line at the same time is a shared goal for those trying to understand feedyard health better.

## Questions, answers lead to more questions

Miles Theurer, Veterinary Research and Consulting Services; Brian Vander Ley, Great Plains Veterinary Educational Center; and Kelli Retallick-Riley, Angus Genetics Inc. (AGI), discussed research aimed at understanding and eventually preventing late-day morbidities.

Theurer looked at retrospective data on bovine respiratory disease (BRD), and found cattle given three modified-live vaccines at the ranch actually had the worst infection rate in the feedyard.

“I think the idea that we’re going to be able to manage this outcome with a needle is a fallacy,” he said. “Vaccines are still an essential component to a herd health protocol, but the idea is that more is not always better.”

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Atypical interstitial pneumonia and bovine congestive heart failure (BCHF) are two other causes of late-feeding deaths that the animal science community would like to understand better.

“There is lot of opportunity, and there is a lot more that needs to be done,” Theurer said.

Vander Ley shared data that suggests the number of cases of BCHF have risen in the last decade and it occurs in cattle fed as few as 10 days and as many as 100 days or more.

Kansas State University (K-State) research, supported by the Angus Foundation, pegs the incidence of BCHF at around 15 in 10,000 of all fed cattle, based on four years of records over multiple yards.

Retallick-Riley noted three major takeaways from the work: The cases are not all late-term deaths; they’re not correlated to elevation; and it is happening in both beef and dairy populations, suggesting it’s not limited to type of cattle.

It’s hard to study the disease, because the best way to identify it is in the packing plant. That’s a similar scenario for liver abscesses.

Jeff Heldt, Micronutrients, talked about the ongoing effort to control abscesses, noting it’s been a topic of interest for more than 75 years. Research continues on everything from probiotics to essential oils.

“Personally, I don’t see our next intervention being an antibiotic,” Heldt said.

Changes in management and rations, such as including more roughage, could work together with other innovative products.

The beef-on-dairy movement puts some emphasis on the need to find such a solution, says Ty Lawrence, West Texas A&M University.

He talked about the “good, the



The topic was “Winning with Feeder Cattle Marketing,” and CAB’s Paul Dykstra (left) asked questions of Don Graham, Troy Marshall and Greg Foote. They talked about preconditioning, creating cattle that are in demand and matching cattle to the market.

bad and the outright ugly” of the beef-on-dairy crosses, with one of the “ugly” truths being the disproportionate amount of liver abscesses on dairy-cross cattle compared to fed beef animals. The “bad” characteristics include more challenges in the packing plant caused by intact testicles, fat trim that’s more similar to a straight beef animal and additional challenges with respiratory health.

Crossing beef on dairy does result in redeeming qualities when compared to beef animals, including increased quality grade, the fact that they are often easily traceable back to sire and dam, and they have unbranded hides. When put up against straight dairy, they have less bruising, better carcass confirmation and better dressed yield.

“The goal of beef on dairy is to dilute the negative dairy traits and improve that animal with the best available beef semen. I want you to think of two words: breed complementarity,” Lawrence said, noting Angus is a sought-after cross.

Conveying information on genetics, health and management continues to be the way to get the most for feeder calves. CAB’s Paul Dykstra moderated a panel that included Troy Marshall, American


Angus Association; Don Graham, Crossroads Cattle Co.; and Greg Foote, Foote Cattle Co.

“I think a big part of marketing is having a program and strategy,” Marshall said. “Then you create the right cattle, with the right information, the right documentation, and then work on getting in front of the right people at the right time.”

When involved in a program, like non-hormone treated cattle (NHTC) or global animal partnership (GAP), Graham suggests letting buyers know they’ll be available well ahead of time.

“You need to start marketing those cattle three months out,” he said.

Marketing can be complicated, Marshall said.

“It really comes down to: have you built a marketing program that’s based on trust and relationships?” 

*Editor’s note: CAB’s Feeding Quality Forum was sponsored by AngusLink<sup>SM</sup>; Diamond V; Micronutrients; Feedlot<sup>®</sup> Magazine; Select Sires; Performance Livestock Analytics, a part of Zoetis; and U.S. Premium Beef. To view presentations, visit [www.feedingqualityforum.com](http://www.feedingqualityforum.com).*

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