



**RESOURCEFUL PRODUCERS.** *The Jones Family backgrounds weanlings before moving to their finishing lot. They built cattle pens with scrap rails from railroad land they purchased.*

# Overcoming the Paradigm

*Owen Jones' resourceful farm feedlot in South Dakota is stocked with Angus genetics and family pride.*



Over a cup of coffee, Owen Jones will gladly tell you the benefits of feeding out your own cattle and how you'll save money by using crop production for your cow herd.

"The way we do it cuts transportation and shrink costs by not having to go through a sale barn, then a backgrounding lot and then onto a feedlot," he says. "Harvesting costs are cut dramatically by harvesting on a high moisture level and moving grain directly to the feed facility rather than the local grain elevator."

Self-sufficiency is the foundation of Penrhos Farms. Farming and ranching in northeastern South Dakota, the

Jones Family eliminates the in-between people of the beef industry by finishing their cattle.

"There could be a lot more people doing what we are doing if there was not this paradigm," Owen says. "Each of us could be finishing more cattle than what we are doing."

## Head of the Valley

In 1964 Arthur Jones and his four sons — Maurice, Curt, Owen and Leon — incorporated their family farming and ranching operation. They decided to use their great-grandfather's farm name, Penrhos, which is a Welch name meaning head of the valley.

Today 10 family members are involved in the operation. Each member has their own specialty

to add to the corporation. Owen is responsible for the cattle venture. His nephews, Tom and Kevin, have taken an interest in the cattle business in recent years.

A unique requirement set by the Jones Family is before a family member can become a stockholder in the corporation he or she must first complete a four-year internship on the ranch.

The corporation includes 8,000 acres of land with 4,500 tillable acres. Crop production on the Marshall County farm includes sunflowers, corn, beans, wheat and barley.

They rely on their cattle to utilize the feedstuffs and roughages produced. More than 700 head of commercial females graze their pastureland. They

manage a young cow herd, infusing more than 130 replacements a year.

Over the years they have selected for moderate size, good udders, easy fleshing and high performance after weaning.

Because they retain ownership and experience cheaper gains after weaning, milk production is not an important criterion. Owen believes it's important to blend maternal traits with carcass traits in selection.

Prior to 1992 they selected by eyeball. They are now using the CHAPS program to compare ratios and using the ancestry on the dam side to aid in selection decisions. CHAPS is a cow-herd management program developed by North Dakota State University

Another venue the Jones Family is involved in is feeding other cattle. To completely utilize the resources they have, the Joneses purchase about 600 head of feeders at local sale barns each year.

### The Angus Advantage

The Joneses started using artificial insemination (AI) in 1960. Like many other commercial producers, they experimented with exotics during the '70s.

For the last 12 years strictly Angus have been used in their AI program. This decision was made by Owen after realizing the younger generation might not want to use AI in the future. He also wanted to change the focus of their breeding program by developing a maternal herd he would be proud to leave behind. Today 95 percent of their cow herd is straightbred Angus.

"We always had some Angus, so I knew they could convert our resources. Angus was a natural choice for us," Owen says.

A believer in cooperatives, it was a natural fit when the Joneses were contacted by 21st Century Genetics nine years ago to be a progeny test herd. Since then they have also cooperated with several Angus breeders to collect carcass data on their young sires, testing about five sires a year.

Because of their commitment to collecting carcass data on Angus sires, Gwen and his family were named 1996 Commercial Producers of the Year by the Certified Angus Beef (CAB) Program.

Larry Dorsey, CAB Program supply development director, says the Joneses keep good performance records and keep in contact with the program to be sure carcass data is collected on their cattle.

"They do all the little things to optimize their genetics," Dorsey says. "They use good genetic selection, total quality management and hard work to continuously improve their herd."

### Lifetime Feeders

The Jones Family has always had cattle and fattened some for their own use. As the operation evolved, so did their finishing division.

"We believe we can compete," Gwen says. "We don't have a lot of fancy equipment but there is money in the bank."

Some years they would profit more by selling calves off the cow. Still, they're not in the cattle business on a yearly basis — it's their livelihood.

"We're in it for a lifetime," Owen says.

They have three separate feeding facilities, two 350-head lots and a 260-head lot. Each site was designed by the Jones Family for ease of facilities, comfort and drainage.

Each site has a holding pond to keep the drainage contained, plus three storage bins and a covered feeding area.

Each also has a central split feedbunk with an overhead auger. The shed over the feedbunk provides comfort for the cattle and adds to the ease of hauling off waste.

With a covered shed, manure doesn't freeze as hard and allows for easier scraping into a pit for distribution.

All their cattle can't get to the feedbunk at the same time, so it was important when designing the facilities that the second group at the bunk had the same comfort as the first group.

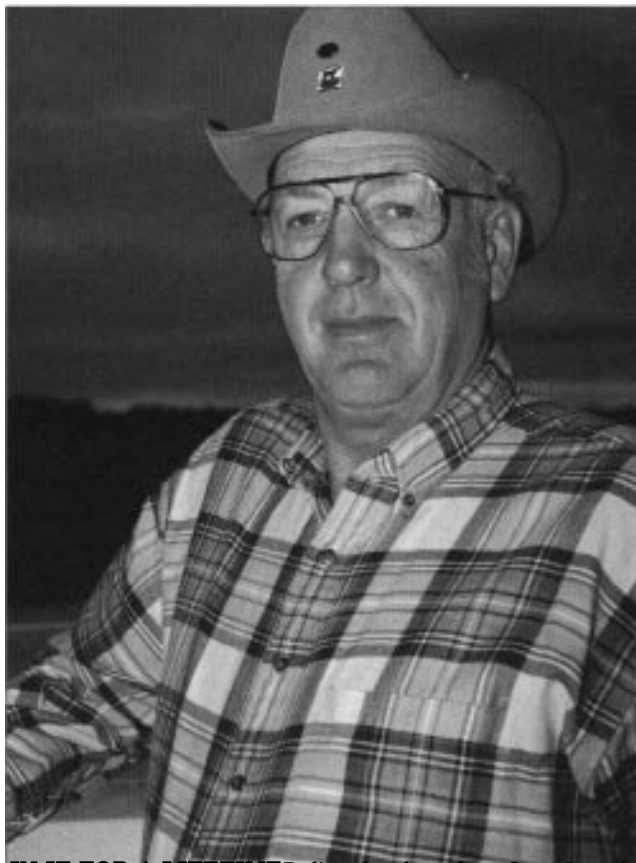
Their operation proves you can do it without the fancy equipment a lot of people believe you've got to have to feed out cattle.

Owen says important tools to have when feeding cattle are a way to process the feed — an electric roller mill, a way to grind dry material, plus a way to deliver the feed to the feedbunks — an auger, wagon or feed truck.

"We don't feed like feedlots do," Maurice Jones says.

The Joneses don't have a set ration, a scale to measure feedstuffs or a mixer wagon.

"Feed people tell us we can't operate that way," Owen says. "But my reply to them is, 'There's money in the bank, so we must



**IN IT FOR A LIFETIME** Dedicated cattle producer Owen Jones is committed to carcass data collection.

be doing something right."

He does admit the younger generation will probably add more technology to their feeding system in the future.

The ability to convert roughages they produce into an edible protein is extremely important to the Joneses.

Their ration is high in roughage — mostly ground hay, a mixture of alfalfa— straw and grass, and "earlage" — high-moisture ear corn.

To increase the percentage of protein, they use alfalfa haylage. This year for experimentation purposes they are using 3 pounds of corn syrup, a by-product of the ethanol process, to make the feed more palatable.

### Producer/Feeder Advantage

"Feeding your own cattle is not really as difficult as you've been led to believe," Owen says. "It just takes a little common sense."

There are several advantages of finishing your own cattle. One

important advantage is reduced stress on the calves. Finishing on your ranch eliminates the loss of performance due to transportation from ranch to sale barn to feeder.

More efficient gains and use of your resources are other advantages. The Jones Family believes a lot of cattle are fed too much grain, and more cost-efficient gains can be made using roughages. Gwen says big lots use high levels of grain because they don't have the storage or the hauling capabilities for roughages.

Their cattle also benefit from not changing feeds as often. They believe it's important to keep the bugs in the rumen active by not changing feeds and by using roughages.

"I think the real important option of retained ownership on our level is we have the ability to go in and select cattle to market when they are ready instead of by the pen," Gwen says.

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The Jones Family is constantly striving to improve carcass merit. As you can see by the chart to the right they're moving in the right direction with 59.8 percent of their 1996 calves meeting CAB Program specifications.

Owen says the genetics are in place through the Angus Sire Evaluation where he could select two bulls and raise the percentage to 85 percent.

**Marketing Methods**

Over the years the Joneses

have developed a reputation as a source of solid genetics with proof in their performance and carcass data.

Because of their reputation, they don't have any trouble getting buyers to visit their lots.

For the past few years they've been shipping their cattle to Beef America, Norfolk, Neb.

Looking to the future, Owen is excited about being paid for the genetic base he's developing. His constant goal it to get calves that excel on the rail while maintaining a productive cow herd.

He says the information is available today to make sure producers get paid for what they are producing. This past year

PENRHOS FARMS' PERFORMANCE							
YEAR	#cattle	backfat	HCW	REA	YG	Marbling	CAB
1994	342	.62	740	12.7	3.4	MT <sup>02</sup>	39.6%
1995	324	.56	738	12.6	3.1	MT <sup>11</sup>	44.4%
1996	256	.55	739	13.0	3.1	MT <sup>95</sup>	59.8%

Source: Certified Angus Beef Program

was the first time they sold on a grid marketing system.

"This past year was the first year I was paid for my Certified Angus Beef™ cattle," Owen says. "I always could sell cattle at the local sale barn and net more."

For eight years it cost them to gather information on cattle,

but it was something that had to be done.

Owen says he'd like to encourage producers to try retained ownership.

"It's not just a one time deal," he says. "You need to make a commitment and stick with it."



FEEDING TIME. Maurice Jones checks the ration as it moves through the auger system. The Jones Family finishes more than 900 head of cattle per year.