



► **Left:** Don Hergert, owner and manager of Hergert Land & Cattle Co., a Certified Angus Beef LLC-licensed feedlot, says he has never had a group of Greeley Creek cattle qualify less than 30% CAB.

► **As** CAB fiscal year 2003 began, Hergert's feedlot became one of an elite few CAB partners to achieve the benchmark of harvesting a cumulative 500 head of cattle with at least a 30% Prime or CAB acceptance rate and free of any discount carcasses.

Shared Vision

Ranch, feedlot share
Angus quality goals.

by *Shannon Hartenstein*



PHOTOS BY STEVE SUTHER

When it comes to hitting the mark in the cattle business, Greeley Creek Ranch is right on target. Maybe it is the manager's 52 years of proven production experience in the rugged mountains of Montana. Or maybe it is his determination to carry on his parents' legacy in the ranch they founded and handed down to him.

Maybe it's just realizing there is always a bottom line.

Finding an edge in the market is critical to profitability in an industry where margins are minimal, says ranch president Bassett Hoiness, Livingston, Mont. That edge, the *Certified Angus Beef*® (CAB®) brand premium, is vital to the ranch's sustainability.

"It's not a wonderful business — the margin is slim," he says. "There's a few extra dollars in CAB, and it all boils down to survival in the cattle business."

The ranch, which Hoiness operates with the help of his son, Erik, uses a teamwork approach to maintain profitability.

Convinced their Angus cattle could command a premium in the finished cattle market, they consulted with bull supplier Vermilion Ranch, Billings, Mont., and Ken Conway of the GeneNet marketing alliance. Given the choice of several possible feedlots, Greeley Creek Ranch chose Hergert Land & Cattle Co., Greeley, Colo.



Don Hergert, owner and manager of the Certified Angus Beef

LLC (CAB)-licensed feedlot, says he has never had a group of Greeley Creek cattle qualify less than 30% CAB. In fact, the ranch's calves usually qualify as 45% CAB or greater, well above the national average of 17.3%.

For his part, Hergert has demonstrated he knows how to hit the target, too. As CAB fiscal year (FY) 2003 began, his feedlot became one of an elite few CAB partners to achieve the benchmark of harvesting a cumulative 500 head of cattle with at least a 30% Prime or CAB acceptance rate and free of any discount carcasses.

Greeley Creek and Hergert backed up those numbers with a strong showing in the Best of the Breed (BoB) Angus carcass challenge. The 82 steers won second place in Region V, competing against producers in Colorado, Wyoming, Montana, Idaho, Oregon and Washington. It was one of the few pens grading 100% Choice, and it clearly stood out with 75% of carcasses grading CAB (including Prime) and an overall contest grid value of \$128.66 per hundredweight (cwt.).

"Bassett has the quality of cattle that will perform under normal circumstances," Hergert says. "They have the genetics and the ability to marble, and they're mild-mannered, healthy and easy to handle."

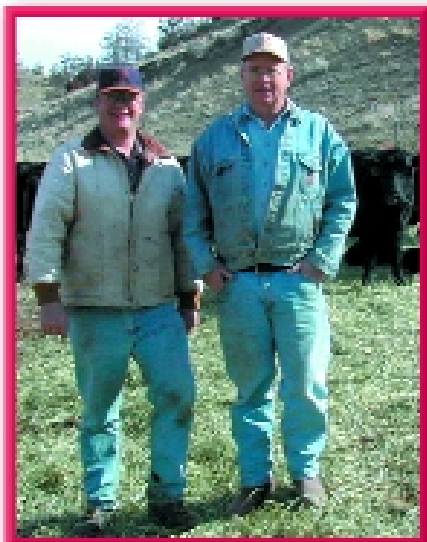
"When everyone went to the bigger, more exotic type, [Hoiness] didn't go that route because he wanted to run a smaller animal on his pastures. He doesn't have really large Angus cattle — just the medium ones," Hergert says.

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Greeley Creek strives to improve its herd every year with replacement heifers, Hoiness says. He looks for moderate-size cows, weighing about 1,150 pounds (lb.) to 1,250 lb. with flesh, that will wean calves at 50% of their weight. The 844-lb. average carcass weight in BoB proves they don't sacrifice growthiness in the progeny.

Hoiness says they watch percent body weight weaned. "We cull and select for that, but then when you're dealing strictly with bulls, that becomes a difficult thing.

"It takes several years to do this to get it really figured out," he continues. "It's hard to cull when you don't know what bull that cow was bred to. That's a hard thing to do."



► Finding an edge in the market is critical to profitability in an industry where margins are minimal, says ranch president Bassett Hoiness (right), Livingston, Mont. He's shown above with son Erik.



► "It doesn't take the best" cows as long as they are adapted to your ranch, Hoiness says, pointing out that cows are only part of the picture. "But it takes good bulls to put on those cows."

The big picture

"It doesn't take the best" cows as long as they are adapted to your ranch, Hoiness says, pointing out that cows are only part of the picture. "But it takes good bulls to put on those cows. The end goal is to try to make a living in this business. I didn't think we had as good of cattle as they ended up [in BoB]. I was very pleasantly surprised."

Light birth weights, acceptable weaning and yearling weight expected progeny differences (EPDs), and overall soundness are the starting criteria for potential herd sires.

"They've got to have a little above average carcass EPDs and milk," he adds. "I look through all of those EPDs, but I don't buy necessarily based on that. I want a balanced animal and a moderate-sized frame."

Keeping good bulls requires a substantial investment, Hoiness says. The ranch has been spending lots of money for bulls in recent years, he says, and that led to a decision to try grid marketing. Based on the results, it's working; but the information flow back from Swift & Co. of Greeley, Colo., GeneNet and Hergert is critical.

"If you don't have that data, especially with bulls, you don't really know what you're doing," Hoiness says. "The bulls in your herd are 50% of your calf crop. That's why I say if you go back with an average set of cows and put good bulls with those average cows, you can come up with some pretty good calves. With the data you get back from the feedlot, you can go out and cull some of those cows and hopefully improve your herd."

The importance of data continues even after the cattle have left the ranch. Hoiness weighs the calves when loading them for transport, and Hergert weighs them three more times, starting upon arrival. Frequent weighing helps Hergert monitor performance and predict harvest dates.

He vaccinates and puts new arrivals on a growing ration until they reach 800-850 lb., confirmed by the scales, of course. "At that time, we project and analyze the size of the animal and what weight we think we'd like to see the cattle go out at and grade," Hergert says. "We like to get 40% to 50% CAB acceptance."

Greeley Creek cattle are usually fed longer than average because they come in light, Hergert says. "We try to get them as near to 16 months old as we can before market," he says. "We may feed a growing ration longer than most feedlots would because we're trying to get more age, and age is really important, in my opinion, in achieving higher grades."

When the projected harvest date arrives, the largest animals are sorted and sent to Swift & Co. to be harvested and evaluated on the GeneNet grid. A few weeks later, the process is repeated. Careful sorting helps the feedlot effectively market individual animals.

"I think the key is timely marketing and feeding the cattle long enough so they have a chance to marble," Hergert says. Because of the longer feeding period and conversion rates, Greeley Creek's costs may be slightly higher, but the cattle have earned a bonus of as much as \$72 per head, Hergert says.

Ken Conway, president and owner of GeneNet, credits Hergert's ability to feed, sort and harvest cattle at the proper time to avoid discounts and earn maximum premiums. "Hergert's is a feedlot that kills a large number of cattle on our grid and does an excellent job of getting cattle fed well and harvested right to be successful," he says.

Conway helped connect the producers in 2001. "We were just trying to get the Greeley Creek cattle into a feedlot that would give individual customer service and could sort for harvest on a grid," he says. "A lot of feedlots are not able to do that."

Critical planning

Communication has been another important key. Hergert and his feedlot veterinarian keep in touch with Hoiness. "We try to work as closely as we can with Bassett so he has some idea when we're planning to market his cattle," Hergert says, but the critical issues involve animal health.

When the feedlot noticed signs of persistent bovine viral diarrhea (BVD) in some Greeley Creek calves — and blood tests confirmed it — Greeley Creek and Hergert veterinarians joined forces to combat the problem. The disease often sets in when calves are stressed, such as when making the transition to the feedlot, and can cause immune system damage, illness and death. An animal can contract the virus and be a carrier without showing any symptoms.

"It's our goal to keep these cattle healthy,"

Hoiness says. “We try to vaccinate them, to keep their health up, but we haven’t always been able to do so.”

Greeley Creek Ranch lost some cattle to BVD in 2002, but Hoiness notes that he hasn’t seen any sickness in spring or summer. It is after the calves have been at the feedlot for about three weeks that the stress kicks in and they begin getting sick, he says. This fall will tell how much progress has been made.

Even though the ranch has taken some steps, Hoiness says it is difficult to completely eradicate the virus. “I don’t think I’ve totally whipped it yet,” he says. “That’s the costly end of it. We’ve bled [and tested] our cows and bulls. There’s no BVD in either, but we’re still fighting it.”

The next step is to test all calves and to dispose of any carriers. The good news is, there were no carriers in the last group sent to the feedlot, Hergert says.

Even with challenges, the team effort has

been successful, Hoiness and Hergert say.

“Don has an excellent eye for cattle and understands the business,” Hoiness says. “He grows those cattle out before he really forces the feed to them. That’s half the secret to it — to have somebody who understands and works these cattle as they see fit,” he adds. “Every bunch is different, but he does an excellent job. It takes some pretty good cattle, but it takes a good feeder to do what he does.”



Editor’s Note: Shannon Hartenstein wrote this article as the CAB industry information intern.

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