



Brand News

► News and highlights from Certified Angus Beef LLC*

Seeing the growth

Thirty-eight industry representatives attended the brand's Building Blocks for Success Seminar. More than half were foodservice licensees. The goal of Building Blocks is to help Certified Angus Beef LLC (CAB) licensees become more knowledgeable about and increase their commitment to the brand.

CAB was fortunate to have two purebred Angus producers attend the recent seminar. Billy Hall of Ratcliff Ranch and Ken Dunn from H.D. Dunn & Son Ranch learned about the workings of the program and had the opportunity to address CAB staff about the triumphs and the challenges they face raising Angus cattle.

Ratcliff Ranch. For five years, Billy Hall has been managing Ratcliff Ranch, a 34,000-acre operation near Vinita, Okla. When he started, Hall says they sold about 100 Angus bulls and bought 10,000 commodity-purchased calves on a yearly basis from Tennessee, Alabama and Mississippi.

"The commercial cows and bulls increased demand for Angus genetics, and we've phased out the commodity calves and now market all Angus cattle from 'cradle to grave.' Our bull market has expanded considerably," Hall says.

Hall's criteria include low birth, high growth, positive marbling and positive ribeye. What was a standout two years ago for marbling now wouldn't be, Hall says, using an example from his own herd. "That's how fast marbling genetics have moved in two years — and how fast they have moved through the Angus breed."

Much of that growth, Hall says, is a result of the desires of Angus breeders and the efforts of the CAB program. "We try to stay progressive by sourcing Angus calves, gathering more data and improving marbling and carcass quality. The right formula is a combination of performance and quality, and we're paying attention to that," he says.

Ratcliff Ranch is unique, Hall says, because it is a purebred operation, but also 80% commercial. "A lot of our bases are off of feeding cattle. We trace all the way through for performance and yield grades to stay profitable and take our program forward," he says.

H.D. Dunn & Son Ranch.

Ken Dunn, Tetonia, Idaho, is known for moving his program forward. A third-generation cattleman, it was only natural for Dunn to leave an engineering career to move back to his ranch in the shadows of the Grand Tetons.

"We run about 600 mother cows, and 475 are registered Angus," Dunn says. "We

market 130 bulls a year in an annual bull sale, and are currently switching from a spring to fall sale that will include 18-month-old bulls and bred heifers."



Ken Dunn

Dunn and his father chose to raise Angus cattle because, "They're just great cattle." The ranch sits at 6,200 feet (ft.) above sea level, and Dunn wasn't joking

when he said they have four seasons: early winter, mid-winter, late winter and the Fourth of July. He sees snow every month but August.

"It's a harsh environment, but the Angus cattle thrive. They make a living for us based on their functional production aspects," Dunn says. "And our customers buy them because of their calving ease and good mothering characteristics.

"The fact of the matter is, we have higher demand for Angus-type cattle because of the CAB program," he continues. "We have our own marketing program to help us market these cattle. We all work together."

Dunn says the CAB brand can't sell product it doesn't have, and he can't sell cattle without demand. "The CAB program helps us increase demand."

In Dunn's mind, it all comes down to information. "Everything about the American Angus Association and the CAB program is centered on information. The brand offers specifications for consistency, and they're reliable. It's getting that information back to the producers that is key to continued success for the Angus breed."

Deli for the Big Apple

Gristede's Supermarkets, a prestigious New York City grocer, recently introduced seven *Certified Angus Beef*® (CAB®) deli items from Levonian Bros. Inc. The offerings include two roast beef items, corned beef, pastrami, bologna, and fully cooked, prepackaged roast beef. The items will be featured in Gristede's top 25 performing fresh CAB stores.

Gristede's operates 47 stores in the New York City area. The company markets itself in *The Wall Street Journal* and *The New York Times*.



Billy Hall and Jim Riemann

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To order CAB merchandise, call 1-800-725-0070 or fax (330) 345-0803.

For a source for recipe ideas, storage and handling tips, restaurant listings, retail store locations, and cooking information, visit www.certifiedangusbeef.com

*Certified Angus Beef LLC is a wholly owned subsidiary of the American Angus Association.

In the spotlight

Flint Rock Feeders Ltd. of Gruver, Texas, is the CAB-licensed Feedlot Partner of the Month for October 2004. Frank Winters, along with Lisa Payne in the office, share credit for outstanding efforts to enroll high-quality cattle in the CAB program, says CAB feedlot specialist Gary Fike.

"Frank and his crew have worked with quality-minded Texas Angus breeders on retained ownership programs, achieving a high CAB-acceptance rate of 21.4%," Fike says.

Turk Stovall, a former CAB staff member, now plays an important role in customer relations, cattle procurement, marketing and management at licensed partner North Platte (Neb.) Feeders Inc. Acting as the company's Quality Assurance (QA) officer, Stovall boosted the feedyard's enrollments of cattle to nearly 30,000 head in the first 10 months of 2004, earning him the distinction of QA Officer of the Month for October.

"The services offered through CAB, particularly carcass data reporting, have been a really good deal for our feedyard and customers," Stovall says.



James Fuqua

A system that works

Cash flow and calf quality may fluctuate during herd expansion, making profitability an elusive goal. James Fuqua, Quanah, Texas, realized this in 1994 when he laid the foundation for the U

Lazy 2 Method of Herd Management. He fed 103 steers from that program to win the reserve regional trophy in the 2002 Best of the Breed (BoB) contest.

Fuqua, part owner of Flint Rock Feeders, has maintained the focus. His three lots of cattle representing the method in the October CAB 30.06 harvest summary prove its value for participants from Tennessee to Texas.

"I wanted to do something that was unique in the cattle business and create a more consistent, quality product," Fuqua says. "In turn, people who raised the product would get a bigger bang for their buck."

The U Lazy 2 Method gives producers a chance to get performance and harvest data

on their calves by connecting them to other quality-minded cow-calf operators who feed cattle to finish. A data communication system allows each party to make culling decisions based on real numbers.

"In any business, the bottom 20% accounts for up to 80% of the losses," Fuqua says. "Our goal is to identify a herd's bottom 20% and replace them with cattle that replicate the top 20%."

He has yet to record a loss using the method, and most other participants have increased their herd sizes. The Crawford Bros. Ranch, Strawn, Texas, has doubled the size of its herd and increased profit margins from \$10 to nearly \$200 per head.

While Fuqua and the Crawfords send cattle to Flint Rock Feeders, it's not required. Fuqua encourages producers to feed their cattle and leaves the feedlot decision up to them.

"In my opinion, producers should have more skin in the game," he says. "A lot of people want to sell their cattle and forget about it. Then, they complain about the price. The truth is, you cannot have it both ways."

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October 30.06 designates

CAB honors partners that harvest “30.06” groups of cattle, with at least 30% Prime or CAB-acceptance rate with an allowance for 3% Yield Grade (YG) 4s and 3% for carcasses weighing more than 975 pounds (lb.). “Honorable Mention” pens missed 30.06 because of excessive discounts. For a summary of accomplishments from the October reports, see Table 1.

Christmas at the grill

Food City, owned by K-VA-T Food Stores Inc. of Abingdon, Va., recently hosted an Endless Grilling Season consumer promotion. The promotion launched Oct. 31 and ran through Dec. 25. It was featured in the company’s weekly ads and inside the



store with posters and point-of-sale materials for CAB brand items in the fresh meatcase. The promotion was designed to increase middle meat sales during winter months, in conjunction with

the brand’s radio commercial that promotes winter grilling.

Food City stores are located throughout Kentucky, Virginia and Tennessee and hold many promotions during the year featuring the CAB brand.



Table 1: Summary of 30.06 qualifiers and honorable mentions from October 2004 harvest reports^a

Licensed CAB® Feedyard	Head	Sex ^b	%YG 1&2	%CAB	%Prime
Beller Feedlots	21*	H	14.3	66.7	4.8
Hergert Feeding Co.	25*	M	36.0	60.0	0.0
Thomas County Feeders	14*	M	21.4	57.1	0.0
4+ Cattle Feeders	76*	H	55.2	50.0	2.6
Flint Rock Feeders	44*	H	25.0	43.2	0.0
Flint Rock Feeders	27*	H	59.3	40.7	3.7
Flint Rock Feeders	39*	M	25.6	35.9	0.0
Beller Corporation	84*	S	35.7	31.0	2.4
Silver Creek Feeders Inc.	20*	M	55.0	30.0	0.0
Honorable Mentions	Head	Sex ^b	%YG 1&2	%CAB	%Prime
Hergert Feeding Co.	22	H	40.0	60.0	0.0
Hora Prime Beef	19*	M	26.7	57.8	2.1
Irsik & Doll Feedyard	20	H	15.0	53.9	5.0
Barton County Feeders Inc.	40	H	30.0	50.0	0.0
PACO Feed Yard Ltd.	14*	S	14.3	50.0	0.0
Cattleman’s Choice Feedyard Inc.	57*	S	31.6	49.1	5.3
Darnall Feedlot	40	H	25.0	48.7	5.0
Pratt Feeders LLC	48	M	31.3	46.8	16.7
Barton County Feeders Inc.	62*	H	35.5	37.1	0.0
Barton County Feeders Inc.	61	M	59.0	35.4	0.0
Beller Corp.	29*	S	24.1	31.0	6.9

*Indicates 100% CAB eligible. All acceptance rates figured on eligible portions.

^aIn the On-Target “30.06” program, the FLP honors partners that harvest qualifying groups of cattle with at least a 30% Prime or CAB-acceptance rate with an allowance for 3% YG 4s and 3% carcasses weighing more than 975 lb. There is no minimum group size because sorting is encouraged to bring out the best in each animal. Honorable mention groups stood out for CAB acceptance, but contained discount cattle for one reason or another.

^bH=heifers; M=mixed; S=steers.

Call (785) 539-0123 or visit www.cabfeedlots.com for a complete and current list of feedlot licensees.