

Adjust Ranching to Meet Demand

Consumer demand set the stage for new management ideas at three CAB seminars in South Dakota.

by Kelsey Baker

Cattle producers in South Dakota have a new perspective from the fork end of the industry. At least that can be said of the 150 producers who attended the Certified Angus Beef LLC (CAB) and Pfizer Animal Health “Black Ink Basics” seminars July 12-14. Conducted in Mitchell, Pierre and Spearfish, S.D., the meetings examined the wholesale beef market and management methods for producing high-quality cattle.

It was the first time for many of the ranchers to look at the business from the beef product side. That helped them see what they can do to meet the demands of their next

customer. Charlie Boyer, CAB specialist with Sysco Food Services, Philadelphia, Pa., explained the needs of restaurateurs in metropolitan areas.

“The heat-and-eat stuff, even I can cook,” Boyer said, making the point that such value-



PHOTOS BY LANCE ZIMMERMAN

► Mark McCully

added products are “some of the most important items that the *Certified Angus Beef*® (CAB®) brand offers. Quality and consistency — those are number one.” For consumers in the big cities, quality is the issue more than price, he added.

Boyer also addressed concerns at the foodservice level that cattle are being fed to heavier weights that often produce oversized ribeyes.

“When the ribeye is too large, it changes the portion size and thickness of cuts that must be exactly weighed,” Boyer said. He shared some new ideas for further cutting ribeyes and strips to obtain new cuts.

Volume in USDA-certified programs is up nearly 20% over the last year, said Mark McCully, CAB supply development director. “There are indications that we’ll see continued growth in these and branded programs in general.

“We’ll also see growth in national, regional and store brands as the grocery and meat departments look to differentiate themselves from their competitors,” McCully continued. “Campbell’s Soup in one store is the same as in another store, so the competing managers have to look beyond those shelves. They look to the perishables, the fruits and meat, and



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customer service,” he said. “They find a way to differentiate by linking their store with the *Certified Angus Beef* brand.”

McCully also noted the industry trend of a widening Choice-Select spread in beef values, because “there are not enough Choice cattle in the market.” Choice finished cattle could be worth \$150 more than Select, and CAB cattle worth an additional \$50 per head. “To take advantage of this growing demand, you need to keep putting selection pressure on marbling,” he told producers.

Research results

Kelly Bruns, South Dakota State University (SDSU) animal scientist, shared the results of research conducted with colleague Robbi Pritchard on ways to enhance marbling development and produce more higher-value cattle.



► Kelly Bruns

the potential daily gains of the cattle to be implanted.

“The wrong potency implant can impede marbling,” Bruns said. “Proper implant strategies provide profit, while greedy and

improper use will hurt the next owner, or yourself, in terms of profitability.”

Pfizer Animal Health senior veterinarian Gerald Stokka discussed how health management and genetics affect potential high-quality cattle.

“People are willing to pay for quality cattle, and those cattle need to have quality inputs,” he explained. The best way to address the need is to adopt “quality herd health programs.”

One of the most important parts of genetic health management is to have a goal in mind: “Why do I do what I do with these cattle?” Stokka asked. “Too many herds are out there with no objective. Proper genetic selection is the basis for efficient production, as are sound herd health programs.”

Those who attended the seminars enjoyed a CAB steak dinner and joined in a panel discussion at the end of the evening. The groups examined such topics as the importance of communication between ranchers and feedlots, the dos and don’ts of partnering or selling cattle to feedlots, and the future of individual animal identification (ID) in the industry.

Cooperating producer panelists at the seminars included Tom Eisland, Canton, S.D.; John Haverhals, CAB-licensed feeder from Hudson, S.D.; Mike Assman, Mission, S.D.; John Anderson, CAB-licensed feeder from Plainview, Neb.; and Travis Bies, Fairburn, S.D.



► Heat-and-eat products are some of the most important items that the CAB brand offers, said Charlie Boyer, CAB specialist with Sysco Food Services of Philadelphia, Pa.