



Feeding Quality Forum Challenges Norms

More than 200 hear from marketing experts, animal scientists.

by **Miranda Reiman**, *Certified Angus Beef LLC*

If you think you have the cattle feeding business all figured out, you're probably mistaken.

That's according to speakers at the Feeding Quality Forum (FQF) in Grand Island, Neb., and Amarillo, Texas, in late August. The experts addressed what they "used to know" that's no longer so.

"After decades of slow change, the North American cattle and beef industries are undergoing rapid transition," said Pete Anderson, director of research for Midwest PMS, at the event that drew more than 200 at the two locations.

In the last 25 years, the use of expected progeny differences (EPDs) has allowed Angus birth-weight trends to remain flat while growth continued upward, Anderson noted.

Quality improved at the same time, but that had to mean more than just grading Choice.

"The difference between Choice and Select

is no longer the distinction of quality; it's between Choice and the branded programs," he said.

Cattlemen on this continent are best positioned to exploit that shift if they can maintain their recent focus.

"North America must stay in and dominate the world high-quality beef market," Anderson said. "Exports are key."

Economic indicators

Dan Basse, president of AgResource Co., also noted the significance of the United States as the leading source of corn-fed, high-quality beef. However, he warned, the rest of the world is catching up: "We'll see the shift — more grain being fed and more focus on marbling and quality than before. That differentiation will be diminished."

The market analyst made those comments as part of his overview of global factors affecting U.S. agricultural markets this year.

Worldwide corn, soybean and wheat

The cattle of this century are drastically different than those of the 1950s, but they're still valued on equations developed more than 50 years ago and based on data from 162 head, said Ty Lawrence.

yields will be strong, he said, predicting 547 million metric tons for the combined harvest.

That doesn't necessarily mean he's bearish on prices.

"It's not as bad as we thought this time around. This time, we not only have big crops, but we also have big demand," he said.

► **Above:** "The difference between Choice and Select is no longer the distinction of quality; it's between Choice and the branded programs," Pete Anderson, director of research for Midwest PMS, told attendees of the 2016 Feeding Quality Forums hosted by Certified Angus Beef LLC.

Weather challenges abroad and strong export demand explain part of the picture. If the corn price dips below \$3.25 per bushel, feeders should lock in prices, Basse said. However, he did not recommend hedging fed cattle.

“As we think about [Chicago Mercantile Exchange] futures, they’re too cheap relative to our modeling. The fourth quarter, we think it’s about \$10 too cheap, relative to where the market should be today,” he said.

Finished weights

During the past few years of “expensive” corn, economists predicted carcass weights would tail off as feeders struggled to cut feed costs. That didn’t happen, said Robbi Pritchard, South Dakota State University animal scientist.

He addressed the question, “When are your cattle done,” though of course there is no set answer. He said the old rule was to sell finished cattle before their feed-to-gain ratio tanked.

“Energetic inefficiency is not what it used to be,” Pritchard said, noting genetics and technology have changed. Big cattle are not automatically inefficient cattle, but they do require different management.

“We have to feed to higher growth potential or they won’t grade,” he said.

Yet, adding days on feed and carcass



► Larry Corah received the forum’s Industry Achievement Award. He was presented branding irons reflecting the mark he has left on the feeding industry as a former Kansas State University animal scientist and long-time CAB vice president.

weight creates challenges from the packing plant to the consumer.

“The high school kid who can eat a 16-ounce steak can’t afford to buy it,”



► Big cattle are not automatically inefficient, but they do require different management, said South Dakota State University Animal Scientist Robbi Pritchard, noting genetics and technology have changed.

he joked. “What’s my definition of done supposed to be? When I make the most money, or when I create the right product?”

Defining value, health protocols

Indeed, the cattle of this century are drastically different than those of the 1950s, but they’re still valued on equations developed more than 50 years ago and based on data from 162 head, said Ty Lawrence, West Texas A&M meat scientist.

“Those five loads of cattle determine what we now use as the USDA yield grade equation,” he said. Data show that the yield equation could benefit from tweaking to more accurately predict cutability.

“We have revised the guidelines of how to feed cattle seven times, but have never revised how we estimate red meat yield,” he said, referencing the *Nutrient Requirements of Beef Cattle*.

Robin Falkner, managing veterinarian with Zoetis beef technical services, said that’s not the only part of the cattle business that deserves a second look.

“Just because we’ve been doing something for 100 years doesn’t mean it’s right,” he said.

Getting prepared for the veterinary feed directive (VFD) is simply a good chance to evaluate details like transportation and placement protocols and pen size.

“Health solutions don’t come in a bottle, aqueous solutions do,” said the veterinarian, challenging the group to think creatively. “Stockmen offer management solutions.”

So do educators.

A big mark

Larry Corah, former Kansas State University (K-State) animal scientist and long-time Certified Angus Beef LLC (CAB) vice president, received the forum’s Industry Achievement Award during a lunch program.

“A branding iron is designed to leave a mark, and through his career, Dr. Larry Corah has left his mark on the cattle feeding industry,” said CAB Vice President of Supply Mark McCully, at the Amarillo meeting. McCully presented his mentor with branding irons featuring the CAB logo and K-State’s “Flying K.”

For more on the mark Corah has left on the industry, see “Lifelong Student, Teacher” beginning on page 122 of the August 2016 *Angus Journal*.

The FQF meetings were co-sponsored by Zoetis, Roto-mix, *Feedlot* magazine, Micronutrients and CAB. To view presentations and summary information, visit www.feedingqualityforum.com.



Editor’s Note: Miranda Reiman is assistant director of industry information for Certified Angus Beef LLC.