

# Premium Progress



## Drought drives premium-paying changes.

Story & photos by **Nicole Lane**, Certified Angus Beef LLC

**A**midst the rocky bluffs outside Harrisburg, Neb., sits Post Ranch. Today, the space between the bluffs is carpeted with green grass so thick Bob Post nearly drives his Kawasaki Mule™ into a large hole camouflaged by the flourishing pasture as he goes to check cattle.

It wasn't always this way. When he and wife Wilma took over the ranch Bob's parents bought in 1960, these high school sweethearts had no idea they'd spend several of their years as cattle producers battling drought. Lack of water hit the ranch hard from 2001 to 2009, forcing them to continually downsize the herd that once numbered more than 500.

When 2012 came, more cutbacks left their herd at about a third of what it once was. Although the two had been raising cattle together since they were married in 1973, they weren't sure how to deal with the weather's devastating and relentless effects.

"You wouldn't believe it now, but a few years ago I would've been embarrassed to

have you guys come out here," says Wilma. "There was barely any grass."

### Black is where it's at

Bob's father was a Hereford man, but the son always had a soft spot for cattle of the darker hide. Since Wilma comes from an Angus background, they decided to transition the herd to Angus when Bob started having a say in the business.

It's important to them to have a herd that they can manage with evening drives on the Mule to check and easily tag calves. They also value having cows they can trust having their young grandkids around. If an animal gets too rough, it earns a trip straight to town.

For Bob, the Angus have simply been better cattle presenting fewer problems all the way around. With good mothers and a docile herd, the Posts have been able to select for other traits, putting carcass quality at the top of their list.

"Besides," he says, "It doesn't get any

prettier than a black cow against that green grass."

### Focus on the genes

Changing breeds and having drought whittle down the herd size was a challenge that presented new opportunities. The smaller herd allows the range to respond and recover when rains do come, and it lets Bob and Wilma reconsider the whole business.

They're moving beyond the tradition of selling their calves after weaning to a business model where they maintain ownership all the way through the feedyard. This will allow them to collect consistent carcass data and use the numbers to make selection decisions for their straightbred-Angus herd.

"We think our genetics are pretty good from what we hear from the people who have bought them and the results we have seen," says Bob. "We want to see where we are at and what we can improve to reap the benefits of our genetics."

Since the couple can't control the weather, they have been focusing on something they do have a say in: building their genetics. To select the traits that can create a more valuable

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**— Bob Post**

► **Above:** It's important for Nebraska cattlemen Bob and Wilma Post to have a cow herd they can manage with evening drives on the Mule to check and tag calves.

carcass, the Posts pay close attention to the Angus \$B (dollar beef) value index. Bob spends hours poring over the numbers in sale books and places his highest emphasis on \$B because, he says, that's where the cattle end up.

"We've always sorted for carcass traits because that is the end product, and if you don't get it right for your buyers, then they aren't going to come back," says Bob. "That's the most important part of the industry, to get the carcasses right."

With the emphasis on carcass traits and a new business model for the ranch, the Posts say they are absolutely targeting the *Certified Angus Beef*® (CAB®) brand premium.

"For years we have tried to get the carcass data back when we sell," says Bob. "We think our genetics are good enough that there is a premium we have been missing."

Hitting that target starts with buying quality bulls, so they try to purchase high-\$B studs. The longtime customers of Connealy Angus say investing in quality there will help them reach their goal of 100% CAB acceptance. Some may call that unattainable, but the Posts aim high because that is what they think the consumer deserves.

"If the carcass isn't right, then you're just not passing on the product that you need to be," Bob says. "Even as a cow-calf man, I think \$B is the number we need to be paying attention to."

### More big changes

Using good bulls isn't the only strategy in which the couple has engaged. They recently moved calving from January and February to



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now starting in mid-April. Though it was a major shift for the herd, both say it has made life a lot easier.

However, such a change sends ripples through the entire business model: Their calves no longer finish in time to make the April market. That's why they decided to take the risk on their own shoulders, with plans to send their first cattle just down the road to Darnell Feedlot this fall.

Hopefully, they say, this will allow them to start earning grid premiums they've been missing out on.

"We are pretty sure we've been giving away some premiums; but, honestly, they've paid so good for the calves, before now it was easier to put that money in your pocket and take it straight to the banker," says Wilma.

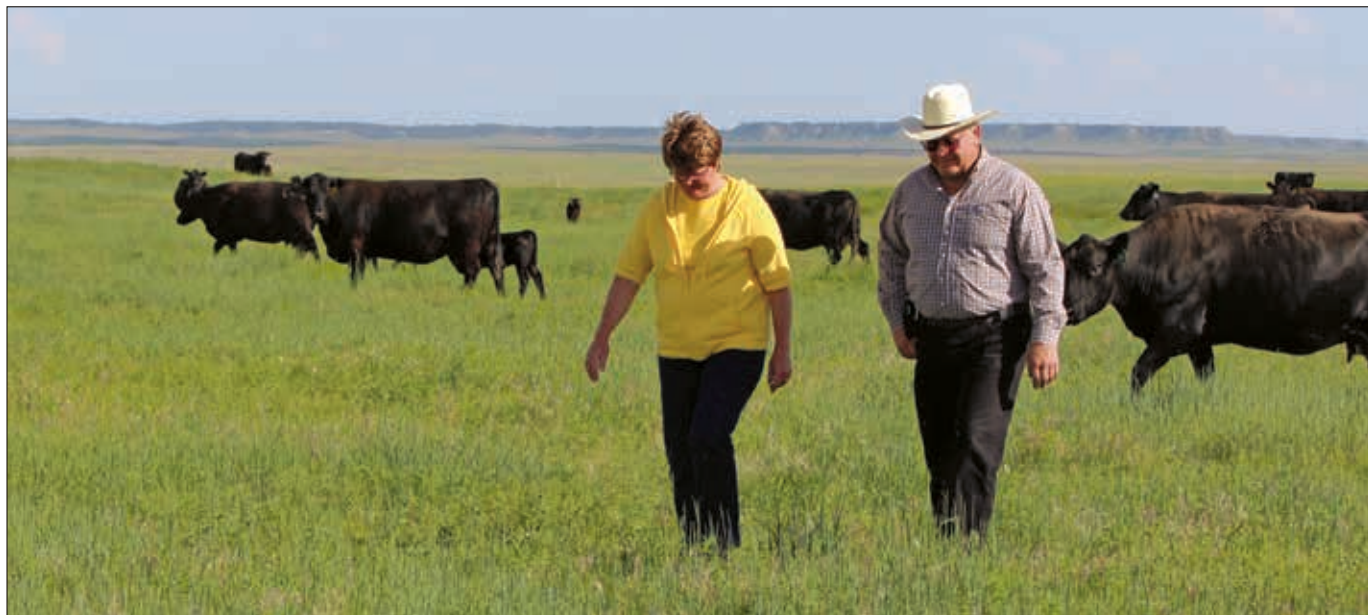
Aware of the risk, they're still excited to take advantage of their greener pastures and enjoy a warmer calving season from now on. The Posts have heard suggestions that they "just try this" for a period of time and then return if it doesn't work; they see it as a commitment they jumped into, full speed ahead, with no turning back.

"There is no try; you just do it," says Bob.

After 41 years of raising cattle together, he and Wilma are ready to embark on this new adventure of targeting premiums and maintaining ownership. It's never too late to try to improve your herd or your bottom line.



**Editor's Note:** Nicole Lane is an industry information intern for CAB Supply Development.



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