



# Small Herd, Maximum Marketing

Savvy marketing provides customer satisfaction.

Story & photos by **Becky Mills**, field editor

**W**ith 55 cows, the Cunningham family can't exactly put together a semi-load of steers or host their own bull sale. Instead, the Molino, Fla., cattlemen add value to their Angus and Angus-cross calves with savvy marketing, including freezer beef and consignment replacement heifer sales.

Brothers Jimmy and Jacky Cunningham and Jimmy's son, Scott, have been marketing freezer beef for around 15 years, but in the last five years, the market has mushroomed.

## Profits aren't frozen

"It has been word of mouth," says Jimmy. "We were doing it for ourselves, and then we started doing it for friends and co-workers." Now, customers come from South Carolina to Louisiana, and from Tennessee to south Florida to stock up on the processed quarters, halves and whole carcasses.

The Cunninghams charge \$2.80 per pound (lb.) hot carcass weight. Customers also pay the processing and freezing fee, which runs an additional 62¢-63¢ per lb. As a

service to their customers, the cattlemen take the cattle to the harvest facility and pick up the processed meat. Their customers can pick the beef up at their farm.

To get the steers to their 1,225-1,240-lb. average finished weight, they put them on grass, usually pearl millet, during the summer after weaning and hand-feed them just enough to keep them gaining. "Summers in the deep South aren't conducive to putting weight on cattle," Scott explains. Still, the steers normally gain around 2 lb. per day.

In the fall, the steers go to a finishing ration of homegrown grain sorghum, hay and soy hull/corn-gluten pellets that boost gains to around 3.20 lb. per day.

The cattle are not implanted, and if a steer gets sick and has to be treated, he is taken out of the program.

Since the cattle are not USDA-graded, Scott says they have to estimate grades.

"We had an extension agent who was a retired USDA grader, and he would grade them in the past. He retired, so we haven't gotten the information in the last five or six years," Scott explains. "When he would grade ours, they would be above 80% Choice and Prime. We have had as good as a Prime Yield Grade (YG) 1 steer. I would say they are still

► **Above:** Scott Cunningham; his son, Tyler; his father, Jimmy; and his uncle, Jacky, make up for small cow numbers with savvy marketing.

doing at least 80% Choice and Prime.”

The Cunninghams also give high marks to their butcher. Although they have to drive 83 miles one way to the processor, they say it is well worth it in customer satisfaction.

Based on demand, the cattle are providing quality eating experiences. The Cunninghams normally market 20-25 steers through their freezer-beef program.

The fall-born steers are usually spoken for by the next November and are processed from late January through early April. By June of 2013, they already had customer requests for the 2014 harvest.

Jacky says, “When our customers run out of meat, they tell us to make sure they don’t do that again.”

### Replacement heifers

While their freezer-beef enterprise is obviously successful, the Cunninghams don’t put all their efforts into their steers. While they were selling their surplus replacement heifers by private treaty, this August will be the third year they have consigned them to the highly successful Herd Builder Replacement Heifer Sale in Uniontown, Ala.

“Our markets are in that area,” says Scott.

“Price is the big driver,” says Jimmy. “We get paid for the quality of our cattle. The sale has as good a reputation as any in the Southeast.”

Even though they are relative newcomers to the sale, their heifers are in demand.

The average for their nine open heifers in the 2012 Herd Builder Sale was \$942 per head with a range of \$850 to \$1,025. Their four bred heifers averaged \$1,725 with a range of \$1,700 to \$1,750.

“Our heifers have gone as far north as Kentucky and as far west as Texas,” Scott reports.

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► Angus cattle fit the priorities of the Cunningham family in the Florida panhandle.



### Angus — the right choice for the right markets

For the Cunninghams, choosing the Angus breed was a no-brainer. Jimmy Cunningham says, “We had a registered herd in the ’60s and early ’70s until we started crossbreeding.”

Jacky Cunningham adds, “I grew up with them. That’s the breed I chose in 4-H.”

Scott Cunningham states, “We get the best of both worlds, the maternal traits and the end product. The way the breed has progressed, you don’t give up any growth, but you still get the end product and customer satisfaction.”

Scott says they have four priorities for their commercial and registered cattle: fertility, docility, phenotype and performance. Angus cattle meet all four.

“At the end of the day, if they don’t calve, you don’t get paid,” says Scott. That’s not a problem in their herd. They artificially inseminate (AI) approximately 40% of their herd each year, both heifers and cows. This past year the conception rate on one round of synchronization and timed AI was 68%. At the end of the 60-day season, including the time spent with cleanup bulls, 54 out of 55 females were pregnant.

As for docility, Scott says it is crucial. “I’m 42, but my labor force is 75 and 66 years old.” He adds, “Studies have shown cattle performance is better and they have better conception rates if they are docile.”

Says Jacky, “It is easier on your facilities when you have quiet cattle. We can walk out and pet most of ours.”

Scott says Angus fits the phenotype bill, too. “We want them structurally correct so they can walk, and pleasing to the eye when we’re selling them. We want frame and volume.”

As for performance, this year the 205-day adjusted weaning weight on the Cunningham’s steer and bull calves was 661 pounds (lb.), while the heifers averaged 621 lb. The steers have no problem reaching finished weights by the time they are 16-18 months old.

The Cunninghams used a unique approach to find cattle that perform in their Gulf Coast environment. Although they are well below the fescue line, they looked for an Angus herd that performed well on the toxic form of the cool-season perennial grass.

“We’re looking for the same kind of cattle. We need cattle that will slick off early,” Scott explains.

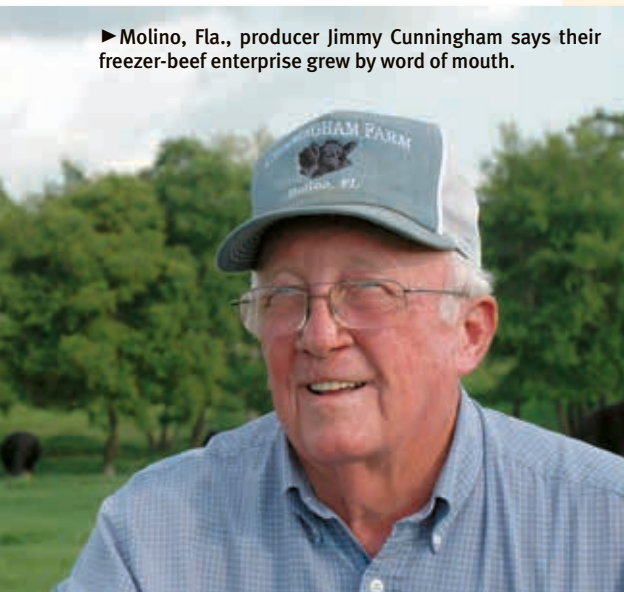
In 2001 they found that herd in Sydenstricker Genetics in Missouri and have been using their genetics ever since.

“They provide as much performance as our management resources will allow,” Scott states.

► Molino, Fla., cattleman Scott Cunningham says their cattle perform in keeping with their environment. Docility is one of their priorities.



► Molino, Fla., producer Jimmy Cunningham says their freezer-beef enterprise grew by word of mouth.





► Scott Cunningham and his uncle, Jacky, believe Angus cattle fit their requirements.

He adds, “The open heifers give us cash flow and there is added value in the bred heifers. Angus are an advantage for us, too. As a rule, the straightbred Angus do better than the crossbreds.”

The Herd Builder sale is managed by Clarke County, Ala., Extension Coordinator Kevan Tucker and his co-workers. It is sanctioned by the Alabama Beef Cattle Improvement Association (BCIA). Scott gives high marks to Tucker and Josh Elmore, another key extension agent, as well as Elmore’s wife, Michelle, who is an extension animal scientist in charge of the Alabama BCIA.

Even with the outstanding workers, Scott still says, “They charge a fair price for commission.”

Michelle Elmore says the sale is a good fit for the Cunninghams.

“The Herd Builder Replacement Female Sale is a great option for small producers to market their bred and open replacement heifers because they are able to capture the marketing advantages of a large replacement-female sale.”

Heifers are sorted, penned and sold in groups of three to seven head of like-type

and weight, as well as open or bred, rather than by consignor. The total number of sale heifers averages around 300 head, which draws a crowd.

Kevan Tucker also endorses the Cunningham’s marketing strategies.

“The smaller guys start off with a marketing disadvantage. They can’t sell a truckload by themselves, and it isn’t easy to find somebody else with the same type of cattle born at the same time to make up a truckload. The niche markets provide them with opportunities.”

Scott advises other smaller producers, “Don’t be afraid to step out of your box. Find something like a consignment sale where you can add value to your animals. With the heifer sale, the entry requirements are not anything you wouldn’t normally do anyway as far as records and vaccinations.”

He continues, “Find a niche. This county has over a quarter of a million people. That means we’re not going to sell a lot of bulls, but it is good if you’re selling freezer beef.”

