



Login Lowdown

by Kasey Miller, associate editor

Custom \$Values

One of the great things about the American Angus Association is that it offers many decision-making tools. As any indecisive person knows, decisions can be tough because, most often, they affect more than one person. In the beef industry, they often affect your operation's bottom line. The Association created dollar-value indexes (\$Values) to serve as decision-making tools. What you might not have known is that you can customize these tools to aid in your decisions.

Value in \$Values

\$Values are bridges in information gaps, says Sally Northcutt, director of genetic research at the Association. While difficult to develop, they are easy to use, convenient and assist a producer in selecting for directional change in multiple traits at once. Ultimately, they translate expected progeny differences (EPDs) into value in the market.

Fig. 1: Where to find Custom \$Values

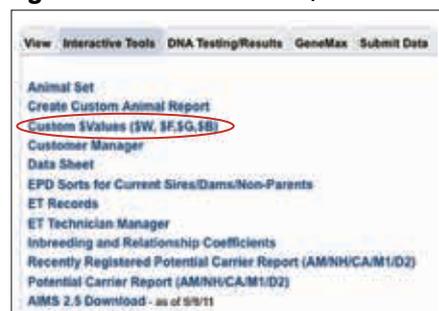


Fig. 2: Customizable assumptions

| Introduction | | Instructions | | | |
|-----------------------------------|-----------|--------------------|----------|----------|--|
| Wean Calf Assumptions: | | Valid Range | | Base | |
| | | Min | Max | Default | |
| Base Calf Price | \$ 330 | 80 | 180 | 140 | |
| % Cows | 80 | 0 | 100 | 80 | |
| % Heifers | 20 | 0 | 100 | 20 | |
| Feed Energy Cost | \$ 0.0825 | 0.040 | 0.199 | 0.0950 | |
| Feedlot Assumptions: | | | | | |
| Days on Feed (days) | 180 | 100 | 200 | 160 | |
| Ration Cost (dry ton) | \$ 290 | \$100 | \$400 | \$315 | |
| Fed Market (cwt. live) | \$ 100 | \$60 | \$150 | \$110 | |
| Quality Grade Assumptions: | | | | | |
| Prime (above Choice) | \$ 10.00 | \$2.00 | \$20.00 | \$12.00 | |
| CAB (above Choice) | \$ 8.50 | \$0.00 | \$10.00 | \$4.00 | |
| Choice-Select Spread | \$ 10.00 | \$0.00 | \$30.00 | \$10.00 | |
| Standard Discount | \$ -18.00 | \$-30.00 | \$0.00 | \$-20.00 | |
| Yield Grade Assumptions: | | | | | |
| YG 1 Premium | \$ 3.00 | \$0.00 | \$8.00 | \$4.50 | |
| YG 2 Premium | \$ 1.75 | \$0.00 | \$6.00 | \$2.25 | |
| YG 3 Discount | \$ 0.00 | \$-6.00 | \$0.00 | \$0.00 | |
| YG 4 & 5 Discount | \$ -25.00 | \$-30.00 | \$-15.00 | \$-20.00 | |
| Average Carcass Weight (lb.) | 816 | 700 | 850 | 816 | |
| Custom Registration Lookup | | Custom Within Herd | | | |
| Reset Defaults | | | | | |

There are quite a few factors, or assumptions, that go into calculating \$Value indexes, and it is important to stay relevant with these factors. However, the indexes can't react to every small change, explains Tom Brink, senior vice president and chief risk officer for JBS Five Rivers Cattle Feeding LLC. This means that \$Value assumptions work off of a three-year rolling average. For instance, rations at the feedyard cost \$150 in the spring of 2004. In January 2013, they cost \$315.

Based on an average of the last three years, he said the assumptions used in calculating \$Value indexes today are conservative; the current market is probably higher right now.

That said, AAA Login allows you to customize the assumptions for your given scenario in Custom \$Values. If you need more information about how to use \$Values first, check out www.angus.org/Nce/ValueIndexes.aspx.

You can customize economic components to create tailored within-herd \$Values for your given scenario. The Custom \$Values are designed to use within your own herd as a tool to help your commercial bull buyers who are producing to a specified market.

Custom \$Values are designated with the letter 'C' preceding the results and are for individual use only. It is important to remember that Custom \$Values are not intended for use in advertising, sale books or other promotional materials, and they will not be included in any materials produced by Angus Productions Inc. (API).

As with all \$Values, remember that Custom \$Values are a combination of multiple traits, and it's good to have an understanding of what traits are included in the beef value index (\$B) as compared with the weaned calf value index (\$W). Also, Northcutt explained that variation in \$Values, as with EPDs, between animals indicates the average expected differences in the relative value of progeny (in dollars per head) if random mating is assumed and the calves are exposed to the same environment. Thus, a \$Value has meaning only when compared with the \$Value of another animal within the American Angus Association's database. Nevertheless, being able to customize a \$Value can still help with your decision-making process.

How to use it

Once you log into your account, click the Interactive Tools tab (second from the left, see Fig. 1). From there, Custom \$Values is the third option in the list. Once there, as you can see in Fig. 2, you can customize the base calf price, % cows, % heifers and feed energy cost in the weaned calf assumptions. Days on feed, ration cost per dry ton, and fed market (hundredweight live) are available to customize in the feedlot assumptions.

Fig. 3: Apply new assumptions to a set of animals by designating registration numbers

| AHIR - Interactive Custom \$Values (\$W, \$F, \$G, \$B) | | | |
|---|----------------------------|-------------------------------|--------------------------------|
| Wean Calf Assumptions | Feedlot Assumptions | Quality Grade Schedule | Yield Grade Schedule |
| Base Calf Price: \$130 | Days on Feed: 160 | Prime (above Choice): \$10.00 | YG 1 Premium: \$3.00 |
| Cow/Heifer Mix: 80%/20% | Ration Cost: \$290.00 | CAB (above Choice): \$8.00 | YG 2 Premium: \$1.75 |
| Feed Energy Cost: 0.0825 | Fed Market: \$100.00 | Choice-Select Spread: \$10.00 | YG 3 Discount: \$0.00 |
| | | Standard Discount: \$-18.00 | YG 4 & YG 5 Discount: \$-25.00 |
| | | Average Carcass Weight: 816 | |

Enter AAA registration numbers to return results for each animal. If you wish to change the criteria [click here](#).

AAA: [] [] []
 AAA: [] [] []
 AAA: [] [] []
 AAA: [] [] []

Search Clear Back

Fig. 4: Apply new assumptions with your herd

AHIR - Interactive Custom \$Values (\$W, \$F, \$G, \$B)

| Wean Calf Assumptions | | Feedlot Assumptions | | Quality Grade Schedule | | Yield Grade Schedule | |
|-----------------------|---------|---------------------|----------|------------------------|----------|------------------------|----------|
| Base Calf Price | \$130 | Days on Feed | 160 | Prime (above Choice) | \$10.00 | YG 1 Premium | \$3.00 |
| Cow/Hailer Mix | 80%/20% | Ration Cost | \$290.00 | CAB (above Choice) | \$8.00 | YG 2 Premium | \$1.75 |
| Feed Energy | 0.0825 | Fed Market | \$100.00 | Choice-Select Spread | \$10.00 | YG 3 Discount | \$0.00 |
| Cost | | | | Standard Discount | \$-18.00 | YG4 & YG 5 Discount | \$-25.00 |
| | | | | | | Average Carcass Weight | 816 |

If more than 1000 animals are returned you will have to narrow down the animals returned by supplying a birth year range. If you wish to change the criteria [click here](#).

Include Secondaries:

Sex:

Beginning Birth Year:

Ending Birth Year:

Excel Spreadsheet

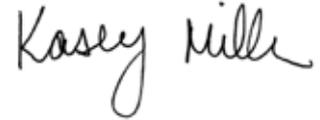
Quality grade assumptions include Prime, CAB, Choice-Select spread and Standard discount. Finally, yield grade (YG) assumptions include premiums for YG 1 and

2; discounts for YG 3, 4 and 5; and the average carcass weight (in pounds). A valid range for the assumptions is given, as is the base.

You can then use these new assumptions

by the custom registration-lookup button (see Fig. 3) or the custom within-herd option (Fig. 4). These can let you see how these new assumptions would affect the cattle in your herd or potential sires or dams you want to purchase. You can always reset back to the default assumptions, too.

If you get confused, there is an instructions link above the valid range on the Custom \$Value assumptions page (Fig. 2). More questions can be answered by the American Angus Association Performance Programs Department at ahir@angus.org or 816-383-5100.



Editor's Note: This column is written by Associate Editor Kasey Miller. She can be reached at kaseymiller@angusjournal.com or 816-383-5277.