

Looking Ahead with Customer Calves

Circle 7 helps producers see value in producing quality.



Story & photos by **Miranda Reiman**



► **Above:** In many cases, Ted Parker says, he has taken on the role of educator. He'll use carcass data that he gets through CAB to show feeders premiums they could achieve if they targeted high-quality beef production.

► Calves are moved to the confinement space when they weigh 850-1,000 lb. The barns feature adjustable pen sizes to accommodate all types of customers.



Feedlot manager Ted Parker sees a beef industry trending toward more sorting and selling on grids. Parker, a 15-year employee of Circle 7 Feedyard, is responding. More than two years ago, he began offering ultrasound scanning. He shares carcass data with customers, and in November 2005 he became a Certified Angus Beef LLC (CAB) licensee.

About a quarter of the Cherokee, Iowa, feedlot's cattle are marketed on a grid.

"If the cattle are good enough, we can pick up some pretty good premiums," Parker says.

Local veterinarian Mark Carlson and his daughter Britt, who is also a veterinarian, serve as the ultrasound technicians. "If you don't ultrasound them, even if they're pretty good cattle, [selling on a grid] usually won't work," he says. "I sort for a marketing date, and I sort the ones that are good enough to grid and the ones that aren't."

Not all producers are willing to pay for the use of this technology just yet, but Parker is convinced.

"The cattle that the computer said were ready, I wouldn't have believed, but it's working," he says. "The cattle that we thought were good are (Yield Grade) 4s and Selects."

Carlson adds, "You just can't tell the quality grade at all by looking at the animal."

Parker says average grid profitability has been improved by using ultrasonography.

"With ultrasound, you gain a lot on the feed efficiency," he says. "The biggest problem I have with ultrasound is that people will say, 'They don't weigh enough.' Well, if they want to go on a grid, they're ready."



► “The cattle that have been in the sick pen for a while are probably not going to be grid cattle,” Mark Carlson says. “We’ve checked them with ultrasound before — they’re not worth checking.”

Other changes

Since Parker took the helm as manager four years ago, he has made other changes at the yard, too.

“It’s pretty much a policy here that if you bring calves in, they all get vaccinated,” Parker says. “Even if they have a green tag or the producer says they’ve been vaccinated, they get treated just like the rest of them.”

Parker isn’t willing to take the chance on calves getting sick, dropping their efficiency, gains and quality grades.

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As a custom-feeding operation, decisions are always up to the customer, but Parker suggests implanting strategies.

“It depends on what they want to do with the cattle,” he says. “If they’re good enough cattle we’ll use a lower-potency implant. Most of the time it’s Ralgro® all the way through.”

Carlson says, “If you implant cattle with something too aggressive right off the bat, you never will get them to grade.”

Calves entering the yard typically start out in one of the four outside lots, and are moved to the confinement space when they weigh 850 pounds (lb.) to 1,000 lb. The barns, built in the late 1960s and early 1970s, feature adjustable pen sizes to accommodate all types of customers.

“We fit their needs,” Parker says. “We have pens that will hold as many as 300 and as few as 28 head.”

The confinement setup houses 4,500 head, while the outside pen space adds nearly 1,000. Parker suspects cattle gains are better in their enclosed system, especially during “mud season” in late winter and early spring.

The Circle 7 staff is comprised of two

other full-time feedlot employees, two part-time pen riders, and two office workers. Parker handles all marketing aspects and CAB enrollments.

In many cases, Parker says, he has also taken on the role of educator. He’ll use carcass data that he gets through CAB to show feeders premiums they could achieve if they targeted high-quality beef production.

“It’s hard to get some of the older feeders to buy into this because they want to sell live weight,” he says.

Success story

Although most of the cattle are bought from across the U.S., Circle 7 has a handful of retained ownership customers. Carlson is one of them.

“I use the carcass data for my culling criteria,” he says. “I hardly have any Selects anymore. Any cow family that throws Selects, I’ll get rid of. Cow families that consistently produce *Certified Angus Beef*® (CAB®) and Prime, I’ll focus on keeping replacement heifers out of those families.”

A pen of 32 steers from Carlson’s herd received second place in CAB’s 30.06 program last June. They went 46% CAB and 3.1% Prime.

“I’ve been feeding them out the past few years — partially because I want to know what they’re doing, so I can improve the cow herd,” he says, noting he’s had his eye on carcass traits for some time.

“Eventually it’s going to be that you can’t sell cattle unless they’re sold on a grid,” Carlson predicts. “Cattle will bring what they’re worth, and the poorer cattle are going to be really discounted. Eventually, with electronic



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identification (EID), there’s going to be more information, and the price will spread out.”

Parker says some of his customers who buy cattle are also recognizing this trend. Circle 7 co-owner Jack Foresman goes back to the same source for cattle each year.

“He knows what calves he’s buying, and he’s aligned himself with that ranch,” Parker says. “If you buy some of these cattle and they don’t work, you’re not going to buy them again.”

Since November 2005, Circle 7 has enrolled more than 1,000 head in the Feedlot-Licensing Program (FLP) and has earned a 17.04% CAB acceptance rate. That will pick up if more customers embrace the high-quality philosophy.

“I wish more people would pay attention to feeding better cattle,” Parker says.

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► The team at Circle 7 Feedyard, which became a CAB-licensed feedyard in November 2005, use ultrasonography to sort cattle for grid marketing.