

Precision Over Time Hits Quality, Profit Target

Eastern Nebraska feedlot,
South Dakota customers
rank high in CAB brand
acceptance.

Story & photos by **Steve Suther**

A 2,500-head feedlot that defined innovation as a Certified Angus Beef LLC (CAB)-licensed partner is in the news again. The runner-up for the 2005 CAB Quality Focus Award (up to 15,000-head capacity) is Samson Inc., Platte Center, Neb. Angus producers may recall that Samson won both the 2000 and 2001 CAB Progressive Partner Awards.

Manager Scott Mueller has not been idle in the intervening years. "It's never business as usual here," he notes. Samson added a full-service commodity brokerage, and the brainstorming settled in to build long-term relationships with a network of cooperating ranchers, many of them in South Dakota.

Even before the beef market recognizes and pays more for source verification, Mueller and his customers have seen the added value that comes from working within a known population of cattle.

The CAB Quality Focus Award recognizes accuracy in hitting the *Certified Angus Beef*® (CAB®) brand target, CAB Feedlot Specialist Paul Dykstra explains.

"This new award category highlights feedlots that keep the quality coming throughout the year. They source great cattle, but, just as important, they practice targeted feeding and marketing," he says. "Scott brings precision to everything he does in business, and it shows in the 29.2% CAB-acceptance rate, along with 3% USDA Prime grade for the 1,398 cattle he enrolled over the last year."

Angus network

Samson's producer network includes Cannon River Ranches, headquartered near Highmore, S.D., and managed by Dale Suhn. "We have been getting carcass data back for



► **Above:** Last year Dale Suhn of Cannon River Ranches fed a pen of steers at Samson Inc. that achieved 37% CAB acceptance with 48% YG 1s and 2s.



► **Left:** Scott Mueller and his customers have seen the added value that comes from working within a known population of cattle.

the past five years, keeping track of sire groups to help guide selection," he says.

The ranch dispersed its registered Angus herd in 2003, but it still sells a lot of breeding stock in the form of commercial bred females. "Our program is based on the maternal side, but we try to get as much out of the steers as possible," Suhn says. One pen of heifers may find its way to Samson, too, but 800 head go through a synchronized artificial insemination (AI) program each year. Half of those go back into the herd as equivalent heifer groups; older cows are sold.

Suhn is careful to keep herd productivity at the forefront. "I won't select to get more Yield Grade (YG) 1 or 2, because I need the easy fleshing here in the winter," he says. "I'm happy with 50% YG 2 and 50% YG 3, and a target of 0.3% IMF (intramuscular fat) in a balanced, gradual approach. I won't let the carcass target interfere with efficiency, because I can't count on returns from the calf offsetting higher-cost cows."

Last year, a pen of 119 Cannon River steers achieved 37% CAB acceptance at

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Samson, with 48% YG 1 and YG 2. Most calves are born in April and weaned in September, then backgrounded to gain 2.5 to 2.75 pounds (lb.) per day on the ranch before the steers move on to the Nebraska feedlot for faster gains.

September weaning allows calves relatively open weather while adapting to independent life, and it lets cows gain 150 lb. on pasture before winter, Suhm says. He uses the same Purina Impact™ feeding program as Samson for the calves, and that helps them compare overall feed efficiency throughout the system.

Besides efficiency, he and Mueller aim for uniformity. That starts with accurate expected progeny difference (EPD) Angus sires and continues with effective management. "We have no trouble with a 70-pound calf from heifers, but we need an accurate 0 birth weight EPD. It doesn't work if we get an average 70-pound calf with a range from 50 pounds to 100 pounds," Suhm says.

In the cow herd, 60-day breeding has 85%

of cows calving in April. That makes for uniform 480- to 500-lb. calves in September.

"I'll spend some money on those calves then and let the cows take care of themselves," he says.

Predicting profit

After five years of experience and data, Mueller can project profitability on such calves with close accuracy. "We are within \$5 per head, on average, in predicting final profits on incoming calves now," he reports. "It helps when we can work with these same-source, high-quality cattle over time with similar nutrition and health programs in place."

Samson also works with Mike Assman of Assman Land & Cattle Co., a registered and commercial Angus ranch near Mission, S.D. "Many of their longtime customers have the type of cattle we are looking for," Mueller says. "Mike leads us to them, and we may buy or partner on them, anywhere from 5% to 95% ownership. The feedlot and carcass

information helps Mike and his customers."

Although Samson maintains a high CAB-acceptance rate, Mueller admits it could be higher if not for current market opportunities that allow feeding cattle to somewhat overfat conditions. "The market may eventually turn back to higher discounts for Yield Grade 4s," he says, "but the demand for heavier weights will likely stay."

Samson's data show higher feedlot performance on steers that finish at 1,350 lb. live weight compared to those 100 lb. lighter or heavier. Consequently, it is a long-term target weight for customers. "You have to get the genetics that work on the ranch, grow up to the higher carcass weights efficiently and also hit the CAB target," Mueller says. "That's the home run."

Mueller and his wife, Pat, have also operated a CAB-licensed restaurant within their Traditions Inn Bed & Breakfast in nearby Columbus, Neb., for the past seven years.

