



# The Fast and the Furious

Sorting cattle and information, a feeder rises to the top in a short year and a half.

Story & photos by **Miranda Reiman**

**W**hat started as a small-scale research project has become standard operating procedure at a Chappell, Neb., feedlot that goes by its town's name.

The Certified Angus Beef LLC (CAB)-licensed Chappell Feedlot now ultrasound scans nearly every calf that walks through its alleys. The technology helps determine optimum management for each individual animal, indicating the number of days when each animal is ready for market.

"I knew we should sort cattle, but once we started using ultrasound, I was so impressed with what it does that we have kept using it," says Tom Williams, manager of the 6,500-head feedlot.

In 1994, he and a local veterinarian convinced a handful of producers to retain

**Chappell Feedlot**  
**Feedlot Partner of the Year**  
**<15,000 head**



ownership on a small number of their calves.

"It was really just an educational process," Williams says. Lynn Locatelli, veterinarian and ultrasound technical expert, used the equipment to sort out a pen of 100 head, and then they all watched the results.

"There are things you just can't see — marbling of course — but even degree of finish," Williams says. "You think you can eyeball that, but not always. We all learned from that, and I said, 'Let's just keep on doing this.'" So the scanning program has grown.

And it's transforming the feedlot. Today, only a couple of customers selling



► Chappell caters to producers who want to retain ownership. "That's the kind of customer we try to attract," Tom Williams, manager of Chappell Feedlot, says.

CONTINUED ON PAGE 122



## The Fast and the Furious CONTINUED FROM PAGE 121

commodity-type cattle prefer not to have their cattle ultrasound scanned.

"It's not very expensive for what you get back," Williams says, citing a recent group of grid-marketed cattle that garnered \$100 per head in premiums. The scan typically costs around \$3 per head. "We've been doing this for a long time," he notes. "It pays. It works."

Locatelli ultrasound scans the calves at the midway or reimplanting point. Using what she sees, animals are divided into sorts, with suggested remaining days on feed and marketing dates.

"Some people have bought their own machine and software, but it's pretty specialized, and unless you do it all the time, it's hard to be very good at it," Williams says. "She's the best." Instinct is not completely factored out of the game.

"I'll still go through the pen and eyeball them, and I'll probably adjust the days one way or another," Williams says. "It kind of depends on the market and how the cattle look."

The method seems to work. Joining the CAB Feedlot-Licensing Program (FLP) in November 2004, Chappell outpaced all other feedlots in the "30.06" program. It is only the third feedlot in FLP history to harvest more than 1,000 head of cattle reaching at least 30% Prime or CAB, with no more than 3% Yield Grade (YG) 4s and 3% carcasses weighing more than 975 pounds.

"Chappell Feedlot is simply a driver of high-quality beef production," says Paul Dykstra, CAB feedlot specialist. "They do a tremendous job of recruiting, and then managing, the type of cattle that grade well."

During the 2005-2006 award year, Chappell posted an overall CAB acceptance rate of 28.42%, with 3.6% Prime. That's more than double the overall FLP acceptance rate for the same time frame.

### Operation overview

In addition to aggressive sorting and marketing, Chappell encourages early weaning and low-stress handling.

"We don't hoop and holler," Williams says. "We have a hot shot or two, but hardly ever use them. Actually, we educate some of our producers on that a little bit."

Chappell caters to producers who want to retain ownership.

"That's the kind of customer we try to attract," he says. "A lot of times we partner with them, so you might say they're replacing our investor customers."

We work with progressive producers who want to improve their herds, so it's not just commodity cattle that come in and go out."

Chappell has a philosophy that sharing carcass data with producers will be a win-win situation in the long run.

"Even if we purchase them all, we give them all the data," says Williams, who sells most of the cattle on the GeneNet grid. "We give them the closeout. I tell them, 'Our goal is to get you to retain ownership.'"

Tom's wife, Cindy, works with Linda Freeman to staff the Chappell office, compiling all of the feedlot information with data they receive back from CAB and GeneNet. They compare live prices to the average premiums gained per head in the pen.

"We share data in hopes that they'll see they leave money on the table sometimes," Williams says. "Good cattle selling for a \$100-per-head premium, or even a \$30-per-head premium — that's more than you're going to get for them as feeders."

"Even if we purchase the cattle and lose them the next year, I feel it's part of our job to get producers that data and let them know what they have," he says. "I want to form a positive relationship, because I've found it pays down the road."

In 14 years, the Williams' and their business partners, Jim and Joyce Holtmeier, have nearly tripled the size of the feedlot and have steadily maintained a progressive mind-set.

When Williams began ultrasounding, it was still a relatively new tool in the feedlot industry. "I like to be on the leading edge of things," he says. "It's a competitive business, and that's a way we can compete."

Another way he knows to compete is by feeding cattle that do it all.

"The bottom line is economics," Williams grants. "There are cattle that don't grade well that perform very well, and they have their value also. The ones we like are the ones that perform very well and also grade very well. When you put all of that together, there are premiums to be made."



► During the 2005-2006 award year, Chappell posted an overall CAB acceptance rate of 28.42%, with 3.6% Prime. That's more than double the overall FLP acceptance rate for the same time frame.