Differences under the hide
By Nicole Lane Erceg

No matter how good the ration, skills and environment, it’s impossible to manage out bad genetics in the feedyard. To get cattle that consistently perform there and bring added premiums when sold on a grid, it’s best to select feeder calves with known genetic potential. Says Justin Sexten, director of supply development for the Certified Angus Beef® brand (CAB®). Why should a feeder care about EPDs, genomic indexes and sire selection? Health, point of origin and a variety of other factors contribute to profitability on feed. But Sexten said genetics either limit or advance the payoff when cattle are harvested. “It’s not just the genetic heritage of the animal,” he said. “It’s type, kind, growth potential as well as ability to marble and muscle.” About 70% of the fed cattle population are Angus type. While it’s easy to see the difference in price between average beef calves compared to dairy ($21 discount) or exotic breed calves, there’s money to be won or lost filling a pen with black-hided cattle, too. Feeder calf prices vary by $1 to $7 per cwt. based on breed alone. For Angus cattle, the premium ranges from $.63 to $4.24 per cwt., but there’s even more added value for exceptional Angus genetics. “To just describe an animal as ‘black-hided’ may not say much about its ability to gain and grade,” Sexten said. “Potentially, it overstates that ability, depending on the genetics that back it up.”

He shared data on a group of Angus feeder calves selected based on the Angus Dollar Beef ($B) index that incorporates the market price impact for post weaning gain, feed intake, quality grade, yield grade and carcass weight. The conclusion? Cattle with a high $B add value for the feeder. In the demonstration study, 100% of the calves with a high $B achieved CAB acceptance, including 72% Prime. The low $B calves made 52% CAB, 44% Choice and 4% Select — still a high-quality set of cattle. But the lower indexing calves spent an average of 15 more days on feed, had lower carcass weights and significantly higher percentage of yield grade (YG) 4s. In the closeout, high $B calves earned $93.50 more per head. On a load of 35 calves, that would put an extra $3,272.50 in the feeder’s pocket.

Sexten said known Angus genetics can add as much as $10 per cwt. above the average Angus feeder calf price. “On the very elite genetics in the upper 10% of the breed, there’s a $14-per-cwt. premium in feeder cattle known to gain, grade and perform in the feedyard above average cattle,” he said. For commercial cattlemen investing in carcass traits, that presents a wide-open marketing window. “There’s a premium for black, but the opportunity is greater for those with leading Angus genetics. The challenge is communicating the difference to the buyer,” Sexten said. Genetic potential varies widely within a pen of feeder calves, and managers generally feed based on the average of that range. That makes it difficult to see the value of genetic information. “The opportunity from the cow-calf perspective is to communicate the investment they’ve made in genetics,” said Sexten. “As we look at other traits — flesh, fill, condition, those types of things — all of those traits can be observed or previously known. The genetic potential of an animal is largely unknown without either testing or some background information.” Historically, feeders rely on data that points to how cattle have performed in the past. For cattlemen looking to communicate genetic merit without feeding history, He recommended using genomic tech
As cattlemen look to market their Angus-sired calves, participating in the AngusSource® and AngusSource Genetic® programs allow them to visually identify their cattle, which in turn drives premiums come sale time. AngusSource is a USDA Process Verified Program (PVP) which documents the group age, source and a minimum of 50 percent Angus sired genetics. In fiscal year 2017, summer 2017 video auction sales saw enrolled calves bringing an average premium of $2.02 per cwt on more than 22,100 head sold.

The backbone of the AngusSource program is the marketing document producers generate after calves are enrolled in the program. The marketing document includes expected progeny differences (EPDs), dollar value indexes and percentile ranking tables. Offering data, health information and management practices on the cattle allows for potential buyers to know more about their investments and in turn allow them to pay more for quality genetics.

Additionally, more than 800 potential buyers receive email blasts of cattle selling at any auction market or private treaty each week. AngusSource also encourages DNA testing for producers who wish to offer calf data to potential buyers with GeneMax Focus or GeneMax Advantage.

USDA Heifers and Heifer Calves on Feed

Following two years of aggressive restocking in the beef cow herd, this year more heifers are finding their way into the feedyard. Heifers on feed were reported at 35.9% of the total supply, which is 2.4 % higher than October 2016.

Happy Holidays

Thank You for marketing your calves through AngusSource or AngusSource Genetic this past year. As a small token of our appreciation we have enclosed a complimentary 2018 AngusSource/BRS Black Book for you to use in the coming year.

AngusSource Price Updates Summer 2017

How to Make a Chute Side Cooler

Coolers can easily be modified for syringes and are important to maintaining vaccine efficiency chute side. Using a 1 ½’ PVC pipe or sink tail piece purchased at any hardware store and a 1 ½’ hole saw, inserts can be placed through the cooler and work well to keep syringes cool and out of light while in use. Either ice or freezer packs can be used as a coolant to maintain temperature for several hours depending on outside ambient temperature. Make sure that enough coolant is used to maintain temperature while working cattle and extra ice may be needed if working cattle all day or during warm days. It may also take up to an hour for the cooler to reach the needed 45°F, so producers may need to plan ahead prior to processing cattle. Details on the construction of a chute side vaccine and syringe cooler can be found at http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-10647/ANSI-3300.pdf

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