

Angus advantage still growing

Profit Tip

Angus calves doubled their price advantage over similar non-Angus cattle in an eight-year study, for a 2006 premium of \$32.64 per head. The trend is backed by a five-year analysis of Superior Livestock Auction video sales from 2000 through 2005. The premiums show the effect from the growing premiums for finished cattle accepted for the *Certified Angus Beef*® (CAB) brand. Producers can sell high-quality Angus calves at any point in production and be more profitable.

The Facts

- Record premiums during *Here's the Premium* (HTP) study:
 - 504-pound (lb.) Angus heifers = \$4.36 per hundredweight (cwt.) premium, fall 2006
 - 505-lb. Angus steers = \$5.68 per cwt. premium, fall 2005
 - 687-lb. Angus heifers = \$4.28 per cwt. premium, spring 2006
 - 699-lb. Angus steers = \$4.67 per cwt. premium, spring 2006
- The record average per-head premium was \$32.64 for Angus steers in spring 2006.
- The eight-year average, Angus-calf premium is \$3.56 per cwt. for steers and \$2.77 per cwt. for heifers.
- Superior Livestock Auction video sale data shows Angus calves commanded a premium of \$1.16 per cwt. over "blacks."

Action steps

- Make sure the sale manager identifies your calves as Angus, not just "blacks."
- Specific management will only pay if you let it be known. Write a half-page description of your cattle and provide copies of all supporting documents at sale time.
- Use the AngusSource® program. It's a complete system, tracking genetics, birth dates and management practices. Plus, it gives you the marketing benefit of sending potential buyers information about your calves.

Materials & Methods

- Cooperating livestock auction markets in the *Here's the Premium* (HTP) study are located in California, Colorado, Kansas, Kentucky, Missouri, Montana, Nebraska, Oklahoma, South Dakota and Wyoming.
- Participating sale managers report prices of known Angus vs. non-Angus by sex, keeping non-breed factors constant.
- Local auction data must be for five or more groups with at least five head in each. 500-lb. calves are reported in the fall and 700-lb. feeders in the spring.
- HTP data represents 236,889 calves in 10,850 lots from 10 sale states starting in the spring 1999.
- Superior Livestock Auction data represents nearly 2 million cattle in 16,840 lots from 2000-2005.

ACKNOWLEDGEMENTS

Data Sources: Superior Livestock Auction, and Certified Angus Beef LLC.

High-percentage Angus calves are worth \$30 per head more than non-Angus calves at auction.

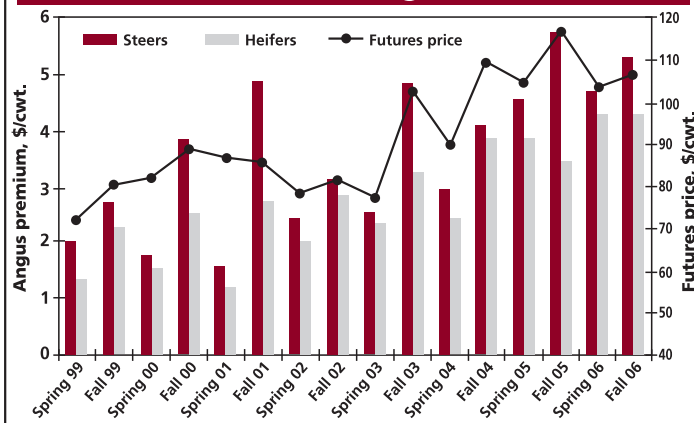


Effect of breed on price of calves sold through Superior Livestock Auctions

Factor	Number of lots	Average sale price (\$ per cwt.)	Average price difference (\$ per cwt.)
Sex of the lot			
Steers	10,146	105.83	8.43
Heifers	6,694	97.40	0.00
Breed description of the lot			
Mixed Eng., Eng. Crosses*	1,786	101.48	2.90
English-Cont. Crosses*	7,876	101.51	2.93
Black, BWF**	3,280	103.00	4.42
Primarily Angus*	1,062	104.16	5.58
Cattle with ear*	2,486	98.58	0.00

Model adjusted to exclude such factors as date, year, frame, flesh, weight, horns/poled, and days
 *May have some blacks, but lot was less than 90% black
 **Lot at least 90% black
 #Lot at least 90% Angus

Price difference between Angus and other breeds



Visit www.CABpartners.com for more information affecting your bottom line.

Questions?

Call Steve Suther at (877) 241-0717.

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