



The ID glass is half full

This column is mostly about how to maintain a positive bottom line. That's why it opened nearly five years ago urging you to know your cows better through individual identification (ID).

If you want more money, you have to market added-value calves. You don't know where they need improving if you don't measure them. You can't fully measure them if you don't ID them—and you can't fully ID them if you don't know their source.

January 2001 is the last column that focused on ID, predicting a mandatory program while urging adoption of effective, *voluntary* programs to increase your flow of "black ink." Warnings that government might tell you what to do stirred up feelings of anger and fear, but you've had more than three years to get over it.

A mandatory ID system is certainly closer, based on the U.S. Animal Identification Plan (USAIP). A broad, USDA-established industry task force created the plan last year after much deliberation. Some say the terrorist attacks of September 11, 2001, planted the seed. Anthrax and bovine spongiform encephalopathy (BSE) scares added fertilizer and rain. Now it's time for light.

The plan's main goal is to provide 48-hour traceback to identify animals and farms potentially exposed to a foreign animal disease, whether intentional or not. A side benefit is that the plan lets the industry meet the emerging consumer demand for source-verified products.

It can do a lot more than that, because it will show thousands of producers how and where to add value. Most producers still go about the business of beef production with no ID system, but that will change as USAIP phases in.

Unless the law is changed by July, all farms and ranches must have a premises ID by then. You will need individual ID to ship animals across state lines by next summer, and a year later, all cattle sold must have such an ID. Packing plants will have to offer radio-frequency (RFID) readers next summer.

The right attitude can make the most of this. If you typically wean and ship unmarked calves on roundup day, you may need to invest in labor to apply ear tags—and it can be a paying investment if you also vaccinate. Trial after trial proves the added value of calves that remain healthy through the feeding phase.

You should take action now, and not simply because many calves born today will be marketed after July 2005. Individual ID will certainly add to their value then, marking them as capable of moving anywhere. But already, in this BSE-aware world, source- and age-verified fed cattle are worth more—and not just in branded alliances.

Under current regulations, if packers can't be sure your cattle are younger than 30 months, they must examine teeth for clues. "Dentition" is not the most accurate means of telling age, with growth rates varying between and within herds. But in the absence of that chain of records going back to the farm or ranch, teeth variations can take a bite out of premiums.

That's just the latest reason for feedlots to bid up known cattle. For the last few years, value-based marketing had pointed out value differences within pens, with some cattle worth half as much as others in final reckoning. Feedlots began tracking variability and value by source; farmers and ranchers did the same to identify and cull the bottom half over several years. Working together, they discovered trouble in the feedlot traced back to genetics, health or production on the ranch. Working together, they solved problems that made money for both.

The national ID system will be flexible enough to work with every current program, so there's no reason to wait to see if a certain company will be chosen. Simple ear tags and records are enough.

There will be no government mandate to link each calf to a cow, at least not in the current plan. But the economic advantages have already led many to change calving programs to allow that level of ID, even with thousands of cows.

Packers will have RFID readers by the time most of today's calves hit the rail, so electronic ID makes more sense now, though alliances are probably still the best way to get started. The future holds promises of automated record keeping, automatic sorting, global positioning systems, DNA-marker ID and a hundred other innovations. But for now, look at the half-full glass and plan on how to fill it the rest of the way with a profitable ID system.

Next time in *Black Ink*, we'll look at your best cows. Questions? Call toll-free at 877-241-0717.

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