



Strength in numbers

By Steve Suther

Every decision is a really an opinion, but there's probably a wide range in your comfort zone based on the amount of information behind the choices you make.

If you have to guess on nothing but intuition, the decision might come out all right if you've had enough experience in trial-and-error not to repeat most of the wrong moves.

There are numbers out there waiting to help you make better decisions. Research summaries are available through your county Extension or breed association office, or even through online searches. You can also ask a specialist who should know, like a veterinarian, nutritionist, banker or even a meat scientist.

Science has studied the beef consumer, finding more evidence to support the USDA grading system that rewards higher marbling. Consumers tend to choose higher marbled beef at retail, and they don't mind paying extra. In the recent economic downturn, demand for high-quality branded beef held up much better than commodity alternatives, even beating USDA Choice.

More is often better in production agriculture, but not always. The economic law of diminishing returns says there's always a point at which you would lose money by going for one more pound or bushel. A "big-picture" model of beef demand may show that you lose money in the long run if you simply try to optimize production of unknown quality beef, because consumers discriminate.

The average cowherd is around 40 head, with as much as a \$400 difference from top to bottom in the value of calves they produce. There are similar average differences between the most and least profitable herds. Some are more uniform, but most operators don't know the range in finished value of their calves, even if they know an average. They have never worked with an Extension steer futurity or partnered with others in seedstock and feeding sectors to find out, but it's not too late to start.

Economics models have shown it takes 10 times that many cows to make a full-time enterprise and capture the potential efficiency of larger scale. But with that national average in herd size, most cow-calf producers cannot give their cows much more attention. They have another job or a lot of

other farm enterprises. Still, the power of numbers and records can make any time count for more effect.

Once you start gathering information on how your cattle perform and grade as individuals, in the feeding and packing sectors that set your market, you should keep records in a way that lends itself to analysis. It won't do to simply collect numbers. Rank your herd from top to bottom based the calves produced, cull from the bottom and select replacements from the top. You'll see opportunities on both the cow and bull side.

Key numbers for bull shoppers are the expected progeny differences (EPDs) available through breed associations for any registered animal. As a starting point, make sure bulls you use have a registration number so you can use those EPDs.

Looking at the closeout sheets on your cattle, some shortcomings should be apparent when compared against breed or industry averages. Select bulls with EPDs to fill those gaps while maintaining overall balance.

Research says you don't have to give up anything to improve the quality grade in your herd, so why not give consumers more reasons to buy beef?

Next time in *Black Ink*[®] Miranda Reiman will consider whether you can have too much of a good thing. Questions? Call toll-free at 877-241-0717 or e-mail steve@certifiedangusbeef.com.

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