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NEWS

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Busby photo: http://www.cabpartners.com/news/photos/2008_04_04_Busby_Darrell.JPG

Southeastern cattle stack up

A long-held industry opinion is that cattle from the South are worth less than their Midwestern counterparts. Not true, says Darrell Busby, Iowa Extension beef specialist.

“As we began to feed and harvest Southeastern cattle, we found they had similar genetics. Producers also were using similar management practices to those in the Midwest,” he says, noting more than 18,000 cattle from that region have been fed through Iowa’s Tri-County Steer Carcass Futurity (TCSCF). “We just did not see the problems with Southeastern cattle.”

A 2002 survey of Southern Plains feedyards, completed by Slaven Associates, identified some of those popular issues with the region’s cattle.

When asked how Southern or Southeastern cattle compared to Northern cattle, 88% of feeders said “worse” or “much worse.” They cited genetics as the number one cause, blaming it for the grading deficiencies in Texas and Kansas as compared to Northern packing plants.

These notions support the idea that all Southern cattle should be discounted, but the TCSCF numbers tell a different story. Busby presented an abstract on the analysis at the Southern Section American Society of Animal Science meeting earlier this year in Dallas, Texas.

Morbidity rates on Southeastern cattle were 15.22%, five points lower than similar cattle of Midwestern origin. In turn, the treatment cost was \$2.37 less on the Southeastern cattle.

“Those are two huge surprise that go against public perception,” Busby says. He attributes much of that difference to the fact that the calves come in 71 days older and have been weaned longer.

“Other perceptions of cattle from the Southeast are, not only do they get sick and not gain, but they won’t grade,” Busby says. “They actually graded right along with the Midwestern cattle, and the black-hided ones had significantly more quality for the Certified Angus Beef® (CAB®) brand.”

The Midwestern cattle had CAB acceptance rates greater than 19%, but the Southern set beat them by nearly 2.5 points to reach 21.57% CAB.

Although the Midwestern cattle did have slight advantages in cutability, hot carcass weight and average daily gain, the Southeastern cattle were significantly more profitable.

“The perception is that they’re not going to perform well, so they’re devalued as calves, and that certainly showed up in this study,” Busby says.

USDA market reporters priced cattle in their home states during the week of delivery and trucking, and death loss figures were included in the analysis. Overall, Southeastern cattle brought back \$48.63 per head compared to \$37.31 per head for Midwestern cattle.

“That’s a \$11.32 difference, or if the cattle were roughly 600 lb. coming in, they were worth \$2 more per hundredweight (cwt.) than what the market gave them,” he says.

Busby explains that these cattle weren’t a random sampling from the region, but rather the product of like-minded producers.

“They pay attention to best management practices that work regardless of state boundaries,” he says. “Whether they live in Georgia or Iowa, these producers are early adopters of genetic selection tools.”

He says they’re also more likely to rely on an “advisory team” of experts to help guide decisions, and more open to sharing information.

“They realize that by retaining ownership, they’re financially responsible for the genetics, health and management of the cattle prior to them arriving at the feedlot,” Busby says.

Robert Stewart, animal science department head at the University of Georgia, worked with the Georgia Beef Challenge, a feeder program to the TCSCF, for a number of years.

“The program and the data are almost addictive,” Stewart says. “Producers see where they are. They make changes and take a direction, whether that’s to increase marbling or ribeye area or other traits.”

By participating in retained ownership or getting involved in marketing associations, he says producers can get the full value of their cattle.

“People who make an investment not only in castrating and dehorning, but also vaccinating, weaning properly and doing a post-weaning program, are going to get average price unless they pool those cattle together,” Stewart says, especially as high transportation costs cause small lots to be discounted even further.

Busby says this study sends a message to cow-calf producers.

“Best management practices do work,” he says, “regardless of where your farm or ranch is located. If you sell feeder calves, but manage them to as if you plan to retain ownership, you’ll get paid better.”

To realize the greatest benefit from the extra work and inputs, though, Busby suggests owning the cattle through the feeding phase.

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