

for immediate release  
**NEWS**

June 19, 2009

**Executive Office**

206 Riffel Rd.

Wooster, OH

44691-8588

Phone: 330/345-2333

Fax: 330/345-0808



**Manhattan Office**

1107 Hylton Heights Rd.

Manhattan, KS

66502-2822

Phone: 785/539-0123

Fax: 785/539-2883

**Japan Office**

Japan Business Center

WBG Marive East 14F

Nakase 2-6 Mihama-ku

Chiba-shi, Chiba 261-7114

Japan

Ph.: 011/81-43-297-3363

Fax: 011/81-43-297-3374

www.

certifiedangusbeef

.com

Steve Suther, Industry Information Director, [ssuther@certifiedangusbeef.com](mailto:ssuther@certifiedangusbeef.com)  
Certified Angus Beef LLC (785) 889-4162

## Demand grows for Angus calves

Calf prices have been up and down, but the Angus advantage keeps growing, even while supplies of Angus calves increased as a share of all cattle. That's according to nine years of data in the Pfizer Animal Health-supported analysis of Superior Livestock video auction sales. (See also "Black bonus" for a detailed look at these values in the Northern Plains.)

Most of the calves sold on the video include data on breed type, which has always had an effect on sale price. Starting in this decade, data analysis began to break out and quantify those variables.

From 2000 through 2008, data on more than 3.3 million head in 27,472 lots show an upward trend line in the relative added value of calves that are primarily Angus, the top-value category each year.

Strict guidelines classified cattle based on seller description into one of five categories: mixed English or English crosses, English-Continental crosses, primarily Angus, black or black-whitefaced, and cattle with "ear."

Mostly black English calves with less than a 90% share of black individuals only qualified as English/English crosses. Lots of black or black-whitefaces calves had to be at least 90% black hided, and primarily Angus calves had to be described as at least 90% Angus by the seller. Brangus calves that were 90% or more black were not included in the analyses.

Using that Brahman-influence "eared" category as a base, the study showed a range of premiums for all other types of calves from 2000 to 2008 (Figure 1). "Last year, the Angus bonus reached its highest on record, at \$7.64 per hundredweight (cwt.)," notes Mark McCully, Certified Angus Beef LLC (CAB) assistant vice president for supply. The spread has ranged from a low of \$4.60 in 2001 (see Figure 2).

The value of English-Continental crosses relative to primarily Angus remained fairly steady over time at a \$2.50/cwt. to \$2.70/cwt. discount. However, the volume share of Continental crosses faded from about half of the mix in 2000 to 32% in recent years. Meanwhile, the share of primarily Angus combined with black and black-whitefaced calves climbed from 16.6% in 2000 to 42.6% last year, McCully points out.

**END**

**(Table, Figures follow)**

**TABLE 1. The effect of breed description of the lot within 2008 study year on the sale price of beef calves sold through Superior Livestock video auctions**

Year	Number of lots	Number of calves	Least squares mean of sale price (\$/cwt)	Price premium (\$/cwt) <sup>a</sup>	P value of factor
2008					<.0001
English, English crosses <sup>b</sup>	394	48,195	109.93 <sup>e</sup>	5.68	
English-Continental crosses <sup>b</sup>	1,035	128,985	109.19 <sup>e</sup>	4.94	
Black, black white face <sup>c</sup>	1,121	142,019	111.30 <sup>f</sup>	7.05	
Primarily Angus <sup>d</sup>	248	30,197	111.89 <sup>f</sup>	7.64	
Cattle with ear <sup>b</sup>	458	55,121	104.25 <sup>g</sup>	0.00	
Total 2008	3,256	404,517			
Total English all years	3,120	378,676			
Total English-Cont all years	11,386	1,372,697			
Total black, BWF all years	6,961	862,054			
Total primarily Angus all years	1,748	212,139			
Total cattle with ear all years	4,257	488,329			
Total all breeds all years	27,472	3,313,895			

<sup>a</sup>The price premiums were the regression coefficients of the models.

<sup>b</sup>Lots of calves in these breed groups may have contained some black calves, but the lot was less than 90% black.

<sup>c</sup>Lots of calves in this breed group were at least 90% black hidid.

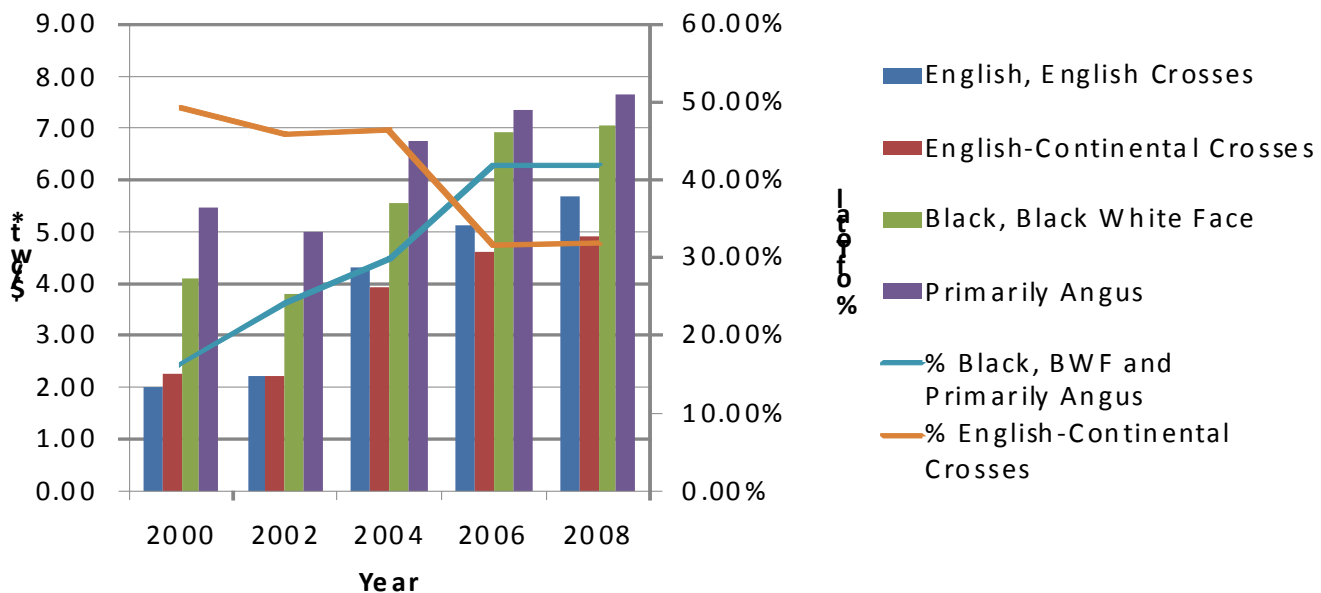
<sup>d</sup>Lots of calves in this breed group were at least 90% Angus.

<sup>e,f,g</sup>Values within a year without a common superscript differ ( $P < .05$ ).

In each year of the study, the model was also adjusted for all other factors that significantly affected the sale price of beef calves during that year.

**FIGURE 1.**

## Superior Livestock Video Auction Data 2000-2008



\*Price premium of different breeds of cattle when compared to Cattle with Ear

FIGURE 2.

