

# for immediate release **NEWS**

June 10, 2010

## **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

Contact: Miranda Reiman, Industry Information Specialist, [mreiman@certifiedangusbeef.com](mailto:mreiman@certifiedangusbeef.com)  
Certified Angus Beef LLC, (308) 784-2294

Photo available at [http://www.cabpartners.com/news/photos/2010\\_DecaturCo.jpg](http://www.cabpartners.com/news/photos/2010_DecaturCo.jpg)

## **Angus, health and profit**

It's no secret that Angus cattle can grade well. But new evidence from Iowa and Kansas sheds light on why high-percentage Angus cattle beat crossbreds in profitability: they tend to stay healthier, which may allow them to better realize their full potential.

An analysis of data on more than 30,000 head fed through Iowa's Tri-County Steer Carcass Futurity (TCSCF) documents the decrease in health problems as percentage of Angus breeding increases.

Records from cattle placed on feed from 2002 to 2009 were sorted into four groups based on sire and dam information: low-percentage Angus, half, three-quarters and straightbred.

"The results are clear," says Larry Corah, Certified Angus Beef LLC (CAB) vice president. "With the highest Angus influence, health problems are the lowest. That's exciting, because health can touch every line on a closeout and can make or break profitability."

Corah presented the research at animal science meetings earlier this year.

Morbidity, or sickness, was 16% for straightbred cattle, but increased to 21.7% for those with the lowest amount of Angus genetics. That compares to an average of 17% to 18% pulls across all cattle in the program, says Darrell Busby, TCSCF manager.

"You would notice that decrease significantly in your bottom line because you'd have less drug costs, higher gaining cattle and higher quality grade," he says. That's not even counting the labor savings.

The group with the least Angus influence racked up an additional \$2.12 in treatment cost, at \$7.72 per head, compared to the \$5.60 price tag for the straightbreds in the nine-feedlot system.

Busby says the effects are magnified when considering hidden expenses.

"Every \$1 that we spend on drug treatment cost, actually costs us \$1.29 in total when you account for all lost performance, quality grade and death loss," he says.

Decatur County Feed Yard, Oberlin, Kan., tracked health on more than 56,000 head of cattle fed from 2003 to 2009. Analysis results mirror those in TCSCF report.

Pens with solely Angus genetics averaged \$2.88 in treatment costs, compared to \$3.77 for predominately Angus crossbreds and \$4.44 for other cattle.

"Any time you get some health problems, it definitely affects performance and carcass," says Dan Dorn, the feedyard's supply development manager. "It sets them back when an animal is sick."

That could help explain why the solely Angus cattle gained better, 3.53 pounds (lb.) average daily gain (ADG) vs. 3.27, and were 24 lb. heavier at harvest (1,213.5 lb. compared to 1,189.4 lb). The straightbred group also spent an average of 10 less days on feed.

TCSCF reported similar trends in performance. ADG in the group with the most Angus heritage was 3.28 lb./day, while the lowest Angus quartile ADG was 3.10 lb.

Busby says a large portion of that is also due to genetic ability to gain.

“Once they hit our feedlots, they’re pretty much on the same nutritional regime and implant strategy, so the difference you’re seeing would be a combination of health and genetics,” he says.

That health advantage also boosts the Angus calves’ overall ability to marble.

“Study after study confirms, cattle that never get sick will have better quality grades,” Corah says. “So the fact that they stay healthy just helps them express the potential that’s already there.”

In the TCSCF data, straight Angus cattle reached 82% Choice and 27.3% qualified for the *Certified Angus Beef*<sup>®</sup> (CAB<sup>®</sup>) brand. That’s compared to 51.5% Choice and 8.9% CAB for the lowest Angus group.

Decatur data supports that, too.

The solely Angus cattle reached 19.19% CAB, compared to 5.84% for all other black crossbreds, and that made a significant difference in final grid payments. Carcasses from the solely Angus group were worth \$1.94/hundredweight (cwt.) more than their contemporaries.

“That’s \$15 per head, and that’s our profit margin most times,” Dorn says.

Both Dorn and Busby say the Angus advantage is probably due to the producers who feed with them.

“Our data does say that respiratory illness is 18% heritable, so there is a genetic component, but I believe the difference we’re seeing between the low-percentage Angus and the straightbred Angus is more due to the people and how they manage cattle at home,” Busby says.

Dorn says most of their solely Angus cattle come from purebred operations.

“You’ve probably got more guys who are better managers,” he notes.

The human element cannot be quantified, but across the years, a combination of breed and breeder has met with measurably superior results on the bottom line.

To view the abstract or PowerPoint on the TCSCF analysis, visit

<http://www.cabpartners.com/news/research/index.php>.

END <charts on next page>

**TABLE 1. Effect of percent Angus on health, performance and carcass**

	Low	Half	Three quarters	Straight
Percentage Angus	9.2 <sup>a</sup>	48.6 <sup>b</sup>	74.2 <sup>c</sup>	99.4 <sup>d</sup>
Days on Feed	175.2 <sup>a</sup>	169.1 <sup>b</sup>	167.4 <sup>c</sup>	163.9 <sup>d</sup>
ADG, lb./day	3.1 <sup>a</sup>	3.2 <sup>b</sup>	3.2 <sup>b</sup>	3.28 <sup>c</sup>
<b>Health</b>				
No. Times Treated	0.34 <sup>a</sup>	0.23 <sup>b,c</sup>	0.26 <sup>b</sup>	0.23 <sup>c</sup>
Individual Treatment Cost (\$/head)	7.72 <sup>a</sup>	5.54 <sup>b</sup>	6.72 <sup>c</sup>	5.6 <sup>b</sup>
Morbidity Rate (%)	21.7 <sup>a</sup>	15.5 <sup>b</sup>	17.2 <sup>c</sup>	16.0 <sup>b</sup>
Mortality Rate (%)	1.73 <sup>a</sup>	1.1 <sup>a</sup>	1.45 <sup>a</sup>	1.7 <sup>a</sup>
<b>Carcass Data</b>				
Average Yield Grade	2.56 <sup>a</sup>	2.78 <sup>b</sup>	2.93 <sup>c</sup>	3.03 <sup>d</sup>
CAB <sup>®</sup> Acceptance Rate, %	8.9 <sup>a</sup>	15.8 <sup>b</sup>	16.7 <sup>b</sup>	27.3 <sup>c</sup>
<i>Tri-County Steer Carcass Futurity data from 30,000 head on feed, 2002-2009</i>				
<sup>a,b,c,d</sup> Means within a row with unlike superscripts differ (P<0.05)				

**TABLE 2. Characterization of performance and carcass trait by sire breed**

Item	Sire Breed			
	Solely Angus	Predominately Angus	Other Breeds	Unknown
Treatment cost (\$/head)	2.88	3.77	4.44	3.81
Estimated final weight (lb)	1213.5	1178.2	1189.4	1178.2
Average daily gain (lb/d)	3.53	3.32	3.21	3.27
Carcass price (\$/cwt)	133.84	132.99	131.90	132.23
Lot CAB <sup>®</sup> acceptance rate (%)	19.19	11.93	5.84	9.19

*\*Data on 56,438 head fed at Decatur County Feed Yard, 2003-2009*