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## Room to improve

By Laura Conaway

After years of trying to improve beef cattle, have we made enough progress yet?

That question was asked and answered in the 2016 National Beef Quality Audit (NBQA), the most recent since 2011.

For those waiting for the answer, it's still "no," Mark McCully says. The *Certified Angus Beef*<sup>®</sup> (CAB<sup>®</sup>) brand's vice president of supply grants cattle are better, but there's plenty of room for improvement. The NBQA cites a lost opportunity of \$15.75 per head in quality grade alone.

"From our vantage point, we think it's bigger than that," McCully says. "Our demand curve would sure support that."

A glance at actual beef grades vs. the NBQA targets of 5% Prime, 35% Premium Choice, 35% Low Choice, 25% Select and no Standards could lead some to proclaim, "Mission accomplished." McCully sees more to achieve and says ranchers have the tools and beef genetics to do it.

"We can still get better," he says.

Breeding time sets up the most marbling improvement, but that's only potential.

"Anything throughout the management of that animal that sacrifices quality grade is an economic loss to the whole beef enterprise," McCully says.

Along with weekly grading reports, the periodic NBQA results document quality-grade progress through the beef production chain: 71% of cattle hit Prime and Choice targets in 2016, the most in audit history, compared to 49% in 1995.

That's good news for the beef industry, says Jeff Savell, Texas A&M University distinguished professor of meat science. He's worked on the audit since its 1991 inception and says the vast majority of cattle produced find a good home in today's market.

As those cattle get better, though, the demand ratchets upward for even more of the better kind.

"So it's a bit of a moving target," Savell says. "Five years from now, when the next audit is published, end users will have a new set of thresholds."

Discounts need not overshadow premiums in value-based marketing, he adds.

Market timing may encourage overfeeding at times, but there's little reason to let cattle get too fat in an attempt to hit high-quality targets, Savell says. Not with today's cattle genetics.

"The relationship between external fat and marbling is at an all-time low," he says.

That's an opportunity, McCully says, for seedstock producers to use selection tools available to maintain upward pressure on marbling while creating more value down the line.



“As genetic designers of the cattle and as the people who manage them, we need to keep yield grade (YG) and cutability in mind. Same with carcass weight,” he says.

The NBQA best illustrates room for improvement through calculating lost opportunities in dollars per head [see table 1]. Quality grade made the largest stride forward, cashing in on an extra \$14.69 since 2011, but YG and carcass weight losses grew by \$6.98 and \$4.41, respectively.

McCully suggests multi-trait selection to produce cattle that capture more of all the money left on the table.

“Those genetics are out there,” he says. “Cattle that can reach the premium grades with fewer days on feed, without excess fat. Cattle that can fix some of our carcass weight issues.”

Depending on the market, the cattle need some ability to be carried to heavier weights.

“Cattle with flexibility. Maybe that’s how we need to think about it,” McCully says. “It’s not easy to do, but it can be done, and I think it needs to be the goal of every cattleman out there.”

Balance for cattle on the ranch, balance for those on the rail.

Looking at both the genetic ability and recent advancements in quality grade, McCully says, “Angus cattle deserve a lot of that credit.”

Angus-type cattle increased from 45% of fed cattle in 2000 to 58% in 2016 (see table 2), and took over several more percentage points just in the last year.

“Then when you look at the marbling advantage of those Angus-type cattle, they are significantly higher [see table 3]. We’ve got more of them and they are of a higher-quality grade, so it seems pretty logical we can look to and compliment Angus breeders for this significant uptick in quality.”

It’s something to celebrate and then make better.

*For more information on the National Beef Quality Audit or to read the full summary, visit [www.BQA.org](http://www.BQA.org).*

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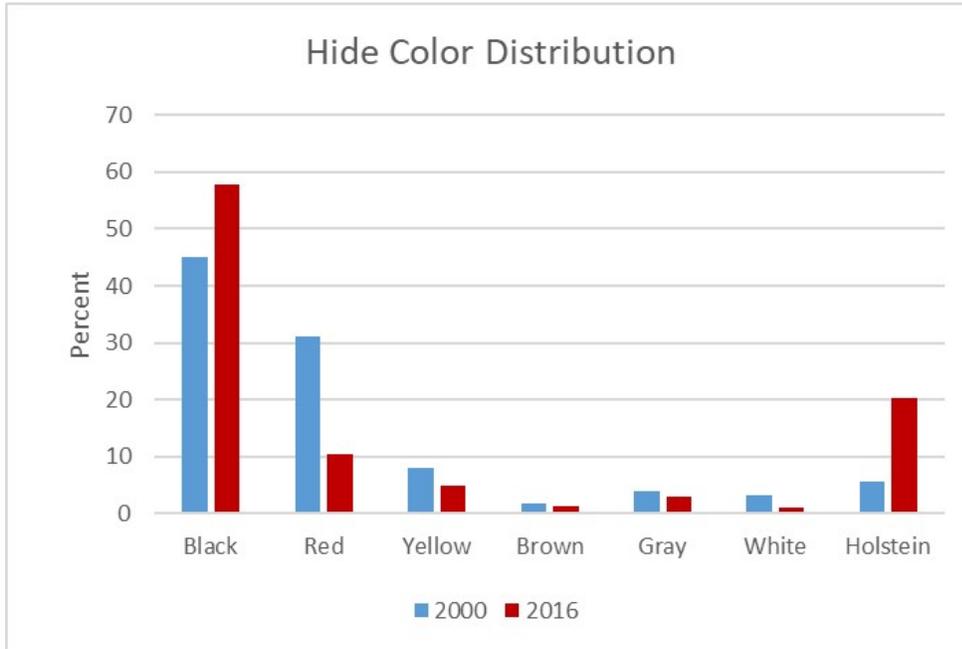
<b>Table 1 Lost opportunities in quality issues for NBQA-1991, 1995, 2000, 2005, 2011, and 2016 (using 2016 prices)</b>						
	<b>2016</b>	<b>2011</b>	<b>2005</b>	<b>2000</b>	<b>1995</b>	<b>1991</b>
Quality Grade	-\$15.75	-\$30.44	-\$26.62	-\$29.66	-\$33.23	-\$33.14
Yield Grade	-\$12.91	-\$5.93	-\$15.60	-\$15.53	-\$10.20	-\$22.19
Carcass Weight	-\$10.88	-\$6.41	-\$4.46	-\$3.44	-\$5.68	-\$4.52
Hide/Branding	-\$0.84	-\$1.95	-\$1.90	-\$2.39	-\$2.67	-\$2.43
Offal	-\$8.68	-\$2.57	-\$2.63	-\$2.82	-\$1.59	-\$0.99
<b>Total</b>	<b>-\$49.06</b>	<b>-\$47.30</b>	<b>-\$51.21</b>	<b>-\$53.84</b>	<b>-\$53.37</b>	<b>-\$63.27</b>

SOURCE: NBQA 2016

[FIGURES 1 & 2, next page]

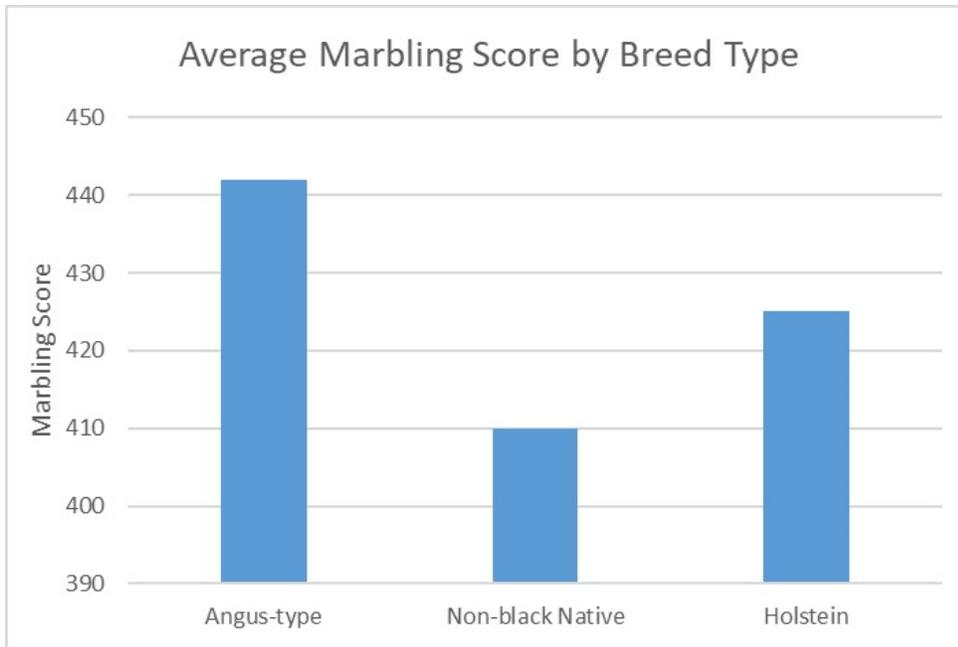


FIGURE 1



SOURCE: NBQA 2016

FIGURE 2



SOURCE: NBQA 2016

