

BULL BUSINESS NEWS

Winter 2007

The Numbers “Game”

If the visionaries who did the initial research and planning for today’s genetic predictions (Expected Progeny Differences) were around to see their use today, I am not sure whether they would be overjoyed or appalled.

When pioneer Angus breeders fought for the inclusion of Angus Herd Improvement Records (AHIR) and later EPDs into the programs and services offered by the American Angus Association, they did it primarily for exactly that...HERD IMPROVEMENT. Today, this is still the main benefit of using these “numbers.” However, because “good” EPDs often denote cattle with more profit potential, they have now seemingly taken on more of a “marketing” nature than the original purpose of genetic improvement.

Sure, we seedstock marketers are likely most guilty of this phenomenon, but I think it is high time for us all to refresh our outlook on EPDs. As we have said before, there is not likely a “bad” EPD. For instance, in today’s environment of \$3.50 corn, \$150/ton hay and \$1000/acre pasture prices in the Flint Hills of Kansas, high yearling and mature weights might not be as favorable as most consider them to be. In fact, we had several customers this year who invested in individual digital scales under their squeeze chutes. Out of curiosity, they weighed their cows at weaning and by the time of our sale, they had decided that maybe the biggest, tallest, heaviest bull was not the one for them this year, as their cows weighed 200 pounds more than they previously thought.

As another example, the second cheapest bull in our sale this year also posted an IMF EPD and adjusted measurement that were in the **top ten** of ALL 148 bulls in the sale! Sure, he was below average for a couple of other traits, but he was clearly one of the best bulls to improve marbling. Fortunately, the wise customer who bought him has voiced a need for increased quality grade in the steers he sends to the feedyard, so he made a very sound purchase.

John Crouch, Executive Vice President of the American Angus Association, always used a wonderful analogy to teach how to properly use EPDs. He would tell producers, “Before you embark on a road trip, you must determine:

- 1) **Where you are**
- 2) **Where your destination is**, and finally
- 3) **Which route will take you there.**

It is the same with EPDs. Determine where your cowherd is currently—strengths, weaknesses, etc. Then envision where you want to go—selling steers on a grid, decreasing mature cow size, adding pounds of weaning weight, etc. Finally, use the tools and genetics available to best chart how you’ll reach that ‘destination.’”

At the end of the day, registered and commercial producers alike need to remember how EPDs and dollar figures were intended to be used in cattle selection and mating decisions. If we already have a set of cows that are selling plenty of pounds across the scales, but those steers fall short on quality grade at the processing plant, we can likely compromise on WW or YW EPDs, but place more emphasis on IMF EPD.

Sure, it’s great to always buy bulls that are average or better in EVERY trait, but we must realize that these are often the highest-valued genetics available. If we have some sort of bull-buying budget, we might do well to rank the traits by “where our cows are,” and “where we want the calves to be,” then determine the most efficient “route” to get us to that point.

2006 Bull Sale a Success

Another tremendous Dalebanks sale is now in the books. As always, we are thankful to all of our customers and friends who helped make it a success. The two previous sales saw bull prices increase greatly, and we worried that many of our bulls would “price themselves out” of some customers’ budgets. We therefore doubled the number of embryos implanted in cooperator recipients two years ago; and it proved successful, as this year we sold bulls in everyone’s price range; from \$1200 up to \$8500. To have this kind of price range and still average over \$3000 is music to our ears.

For over 100 years, our primary customer has been the commercial cow-calf producer. Each of our customers has a different “plan” for managing and marketing their Dalebanks-sired progeny. Some commercial producers receive enough added performance and premiums from steers and replacement females that they can justify spending \$5000 or more on bulls. Others see \$2500 as the limit on their bull purchases. With a range like we saw this year, we believe that ALL of our customers found bulls that will return their purchase price--and then some--to the bottom line.

Again, THANK YOU for your tremendous support. We are anxious to hear how the bulls work in your operation.

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Replacement Female Marketing

Many of our customers are recognizing opportunities to sell their Dalebanks-sired heifers as replacement females. This is a very good marketing strategy, and there are many options. For those who wish to market top-dollar replacement heifers, use the following suggestions to get the most out of your heifers.

- Get them gentle!
 - Of course, NONE of us have “wild” cattle, but even those that cause very few problems at home can go ballistic at a sale facility or even in the weaning pen or pasture when someone new is around. Do yourself a favor... spend some time **walking** through your heifers, quietly sorting them and moving them in and out of pens or gates. It will pay off greatly.
- Feed them!
 - The biggest lie told at a bull or replacement female sale is, “I don’t wanna buy fat.” We all say it, but then we discount the thinner cattle every time. A little extra flesh can often make a hundred dollars’ difference in the price of replacement females.
 - Especially at “special” sales, the bigger heifers (both weight AND frame) generally sell higher, so make sure the cattle are well-grown. Granted, these females might not make the most profitable cows, but they have historically made the highest-priced heifers. If you don’t think your cattle will “fit” with other cattle consigned to a certain sale, either find another sale or find an avenue that will not discount your size/type of cattle.
- Provide useful, concise information!
 - If you keep records, *don’t keep them to yourself*. This information is worth money—especially on breeding stock.
 - Identification is a key component.
- Have your health program in order!
 - Work with your veterinarian to make certain your cattle are inoculated, disease-free and healthy.
- Tell someone about them!
 - Give us a call, contact your local livestock market, and place ads in your local or regional paper.



For sale this winter:

44 Purebred Dalebanks Angus Cows

Must sell due to dry conditions

Most 3-7 years old

Most will calve late March-April 2007

\$1095/head for group – Private Treaty

January 20, 2007

KS Angus Futurity, Hutchinson, KS

1 embryo flush from YOUR PICK of the

Dalebanks Angus spring-calving cowherd

Registered Dalebanks Angus fall yearling bulls

Fertility tested in late December and ready to work

Priced from \$1500 – Private Treaty

Contact Tom or Matt for information

February 2, 2007

National Cattlemen’s Beef Association PAC Benefit Auction,
Nashville, TN

Two \$1000 credits – Good toward any bulls in our 2007 Bull Sale

Dalebanks Angus

1021 River RD, Eureka, KS 67045

FORWARD & ADDRESS SERVICE REQUESTED