

November Bull Sale Averages \$5360

After significant variability in weather and market conditions this fall, the Perrier family was blessed with a gorgeous fall day and steady prices for their 115th Anniversary Bull Sale Saturday, November 23, 2019, near Eureka, KS.

141 registered Angus bulls averaged \$5360, selling to customers in Kansas, Missouri, Oklahoma, Texas and Colorado. 72 coming two-year-old bulls averaged \$5986 and 69 yearling bulls averaged \$4707. Over 200 attendees filled the Dalebanks Sale Facility and bidding was rapid, as Col. Jim Birdwell sold the bulls in just less than 90 minutes.

All high-selling bulls sold to repeat customers; with Lot 6, Dalebanks Arb Confidence 8370, topping the sale at \$11,000. Michael and Charles Madison, purchased this standout herd sire for their operation near Lamar, MO.

Case Cattle Co, Fairview, OK, bought Lot 7, Dalebanks Weigh Up 8056; and Lot 1, Dalebanks Sure Fire 8042, for \$10,000 and \$9500, respectively. Edmonds EZ Angus, Morris, OK, got Lot 109, Dalebanks Tahoe 8320, for \$10,000.

Cherokee Ranch, Haskell, OK, selected Lot 110, another son of Tehama Tahoe for \$9000. Lindamood Ranch, Virgil, KS selected Lot 16, Dalebanks Niagara 8240, for \$9000. Cory Vanderveen, Prairie View, KS, bought Lot 82, Dalebanks Weigh Up 8341, for \$9000.

Bulls traded in a range from \$2500-11,000, with 92% of the bulls selling in the relatively consistent range of \$3000-\$8000.

Customers continued to recognize the value of practical, profitable genetics that fit today's cowherd and beef industry. The Perriers were grateful for the many customers, neighbors and friends who made this another tremendous day for their family.



Dalebanks Bulls and Females Available Throughout Spring

This spring and early summer will bring several opportunities to procure registered Dalebanks genetics. Whether you're in the market for bulls, heifers or cows, we have some tremendous options to add Practical, Profitable, Dalebanks Genetics to your herd.

BULLS

15 Big, rugged, fall-born 18-month-old bulls - AVAILABLE NOW

40 Balanced-trait yearling bulls - Available beginning March 10, 2020

HEIFERS

10 Open yearling heifers, ready to breed late spring/summer

15 Bred heifers, calving in March, available July 2020

COWS - Available late spring/summer

40 Fall bred cows, calving October and November 2020 (available after weaning in early July)

15 Spring pairs, calving March and April 2020 (available after April 15)



Contact Matt today to be added to the list to receive Price and EPD information when available.

Matt & Amy Perrier 620-583-4305

Tom & Carolyn Perrier 620-583-6956

www.dalebanks.com

mattperrier@dalebanks.com

tperrier@dalebanks.com

Cattle Marketing

I was recently asked to sit on a panel for the Kansas Farm Bureau Young Farmers & Ranchers annual conference. Our topic was simply “Cattle Marketing,” and it is one that I continue to learn about as I visit with customers and navigate the desires of our ever-changing beef consumers. As I prepared for this discussion, a few thoughts came to mind. I have included these ideas, as well as a few quotes from industry experts I have read or heard recently, in the list below.

Look at all potential revenue streams in your business. While most cattlemen view the sale of their steer calf crop as the primary indicator of profitability, there may be several other areas that can be considered for maximizing profit: cull cow sales, replacement (either bred or open) female sales, fee-based agri-tourism (hunting, fishing, etc), just to name a few.

Beef is no longer a strict commodity business, so don't treat it as such. We are the premier protein across the world. They have high expectations for each beef eating experience, and we need to deliver. Do things that deliver value to the consumer and drive more value into beef and beef products. We all say, “Who's going to pay me to do it?” But the truth of the matter is that simple changes like moving our injection sites away from the rear quarter added millions to our industry due to fewer injection site losses and bad eating experiences. The same could be true for improvements in cattle handling, health, source verification and genetics.

Use historical price trends to help determine market timing. Randy Blach, CEO of CattleFax, told attendees of the 2019 Kansas Livestock Association Convention, “If you're still selling bawling calves in the fall...QUIT IT!” Calf prices usually post their “lows” sometime between Labor Day and Thanksgiving, so marketing outside of this period is usually beneficial for the seller.

The “cattle cycle” isn't broken, but it has been diminished by increased consumer demand. Many cattlemen continue to look at beef demand as static or decreasing (as it was during the 1970s, 80s and early 90s), and consequently they expect beef prices to be affected mainly by cattle numbers (supply). Unlike most farm commodities, beef has morphed into a “value-based commodity,” and this has created some price inelasticity as supplies trend up and down.

Don't expect someone else to make your calves top the market. The downside of a value-based market is that there will generally be more differentiation of prices within a given market category. While market timing and location will still have a large affect, VERIFIED INFORMATION about the genetics, source and management of your cattle will continue to play a large part in marketing cattle for top dollar. And as the marketing point gets closer to the consumer, more value may be captured.

Tell your story. When consumers pay for a steak, they want the sizzle, as well. They yearn for a connection to the independent spirit and toughness that the cowboy symbolizes. In short, they want to be just like you, without having to stand the wrath of Mother Nature and market swings. So whenever you have the opportunity, share what you do to bring that beef to them. Use social media and casual conversation to share “the story of the steak” with those who need (and want) to hear it. It may seem like it doesn't have a direct effect on your calves' market price, but it can certainly help drive long-term consumer demand.

Support your customer, don't accuse them. I am often disappointed to hear how many cattlemen blame retailers, packers or feedyards for running a profitable business. While I would like industry profit to be shared equitably among all sectors, the nature of supply and demand fundamentals simply doesn't always allow this to happen.

As a seedstock supplier, I am *elated* when my customer is highly profitable, as it is an indication that he or she will continue to invest in bulls or females. Same way with the packing segment recently... while it was difficult to see them making several hundred dollars per head this fall, it incentivized them to harvest record numbers of cattle at the most efficient levels our industry has ever seen. Without this profitability, we would likely still be sitting on a huge inventory of “overdone” fed cattle and our economic picture would have been MUCH worse through the fall.

Avoid the “blame game.” When our cattle do not sell for what we thought they should, it is human nature to place fault on someone besides ourselves. Whether it is the packer, the big feedyard, the Beef Checkoff, the livestock market or an industry association, we have all heard various reasons for lackluster prices paid for a set of cattle. The best action is usually to find areas for improvement; make positive changes and stay focused on the long-term goals that you have set for your ranch.

Perspective

I have felt fairly old the past few months. Obviously, five kids and a bunch of cows can do that to a guy, but it's been the past couple years' cattle markets that have made me really feel my age. And actually... it has not even been the markets that have aged me, but the discussions about said markets that have suddenly made me notice all this gray hair.

You see, I am part of a relatively small demographic in production agriculture. Born in late 1973, I was in school from 1979 till 1992. When asked "What do you want to be when you grow up?" I usually replied with "A farmer / rancher." But then I went home to hear all of the financial challenges that plagued most folks in agriculture throughout the 1980s. I witnessed the farm sales, foreclosures and gut-wrenching economic issues that were rampant throughout our neighborhood. And even if folks were gutsy enough to expand their business, mortgages at 15% interest were not too "interesting."

As I prepared for graduation from Kansas State University in 1996, I was once again faced with the question from my instructors and peers, "Are you going back home?" Calf prices were roughly 62 cents per pound. So—like many of my cohorts—I found jobs elsewhere in agriculture for several years.

Now I am not here to say that 2019 has been the rosiest of economic times, but as we analyze the amounts of cattle and beef that we have moved through the system—without causing an absolute crash, as had been predicted—we have to recognize that beef demand and production efficiency are **tremendous** in today's industry.

CattleFax and other analysts are predicting improved prices for most classes of cattle and beef in 2020. In his comments during the recent Cattle Industry Convention, CattleFax CEO Randy Blach stated, "There is strong demand for our product, but that's the result of the fact that our business has paid attention to market signals and we've been producing a consistent, quality product that has gained a greater piece of that retail dollar. We need to protect that," said Blach. "Cattle must continue to be better over time. We must pay attention to what the consumer is telling us. That means conversations about topics like traceability and sustainability only become more important as time goes on. We have to listen to the consumer and respond with action to meet their needs and demands if we're going to continue to be successful in a hyper-competitive global protein market."

In agriculture, we are constantly surrounded by reality...ACTUAL reality, not a trendy TV show. Markets, Mother Nature, political pressures, stresses of a family business all provide ample reasons to see the "bad" in life. But before any of us dwell on the challenges that we face, let us recognize the huge opportunities that are out there for us to capitalize on. Surround yourself with optimistic people, avoid pessimism as much as possible, and set yourself up for success in the beef industry.

We look forward to being right there with you.

Sharing Our Story

We were honored to host a beef marketing delegation from Korea at the ranch in early February. The group represented a progressive retail meat shop in Korea who merchandizes US beef through their stores.

Cargill Protein group organized the tour, which also took the delegation to a feedyard and packing plant in western KS. But the Korean owner (pictured) specifically requested a visit to an Angus ranch while in the United States. While at the ranch, they toured the Dalebanks sale facility, discussed bull development rations and walked through a pasture as we fed and checked cows.

We in the beef community often focus on the actual product that we produce; be that bulls, calves, replacement females, fed cattle or beef. But groups like this serve as a reminder that we're selling more than just cattle or beef; we're selling the sizzle, as well.

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(Sharing Our Story, continued from page 3)

Whether we realize it or not, the world wants what we witness every day on American farms and ranches; freedom, nature, toughness and the western way of life. They may not experience it on their own, but they want to be transported there each time they serve their family, friends or customers beef. We must realize that this connection has value, and it is up to us to help add that value to the product that we produce.

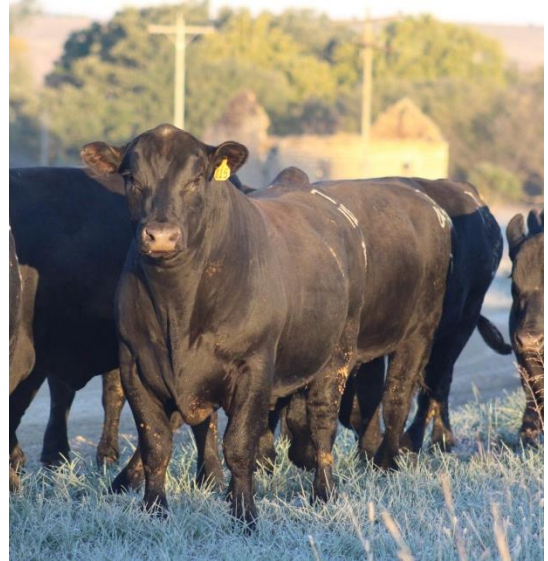
When we practice good animal husbandry, health and handling skills, we add value to our product. When we purchase genetics that improve the quality and consistency of the beef we produce, we add value to our product. And when we tell the positive story of our dedication to the land and cattle in our care, we further increase demand for BEEF, the premier protein across the globe.

Practical. Profitable. Bulls. **AVAILABLE NOW**

Selling 60 Yearling and 18-month-old bulls sired by Connealy Glory, Tehama Tahoe, KM Broken Bow, Niagara, Weigh Up and other balanced-trait sires.

Plenty of calving-ease bulls available.

Contact us today to receive highly accurate EPDs and information to select profit-driving Dalebanks genetics for your herd.



Dalebanks Angus
1021 River RD
Eureka, KS 67045

Return service requested

