



Apparently It's Not Working

Why the beef industry needs to return to more continental influence in commercial beef production.

By Wayne Vanderwert, Ph.D., American Gelbvieh Association Executive Director

There is no secret in the fact that British cattle, Angus in particular, have captured a large share of the commercial cattle industry's seedstock needs over the last 10 to 15 years. This is not meant to be an Angus bashing; they bring a lot of things to the table for commercial producers, and they've done an admirable job of marketing their breed. But the continental breeds, Gelbvieh especially, also possess traits that play an important role in profitable beef production.

If there is a bone to pick in the matter of Angus dominance, it is that somehow the concept of a well-designed crossbreeding program seems to have gotten lost. Crossbreeding is the easiest way to improve profitability by taking advantage of both heterosis and breed complementarity. Intentional or by accident, the message has become one of straight breeding and focusing on just one side of the carcass equation. This is supposed to result in maximum profitability. Astute commercial producers have started to recognize that this just isn't the case.

If you look at Angus breeder promotion material, you'll see quoted figures on percentage Choice and CAB (Certified Angus Beef) acceptance level on a set of harvested feedlot cattle. What you'll almost never see is the percentage of Yield Grade 1's & 2's; instead you may see a quoted percentage of YG 1's, 2's and 3's combined which really tells you how many YG 4's and 5's were on the load. Also you'll rarely see the "close-out" cost of gain compared to other sets of cattle that were sold from the same feedlot at the same time.

There are two sides to the carcass equation, Quality Grade and Yield Grade. Value-added feeders get paid from the combination of both grading systems. Plus, research again and again shows that the yield grade profile is closely related to how efficiently a group of cattle fed.

Our good friends at Cattle-Fax recently provided their readership with some very interesting trends over the past decade. With permission we are reproducing

Figure 1.

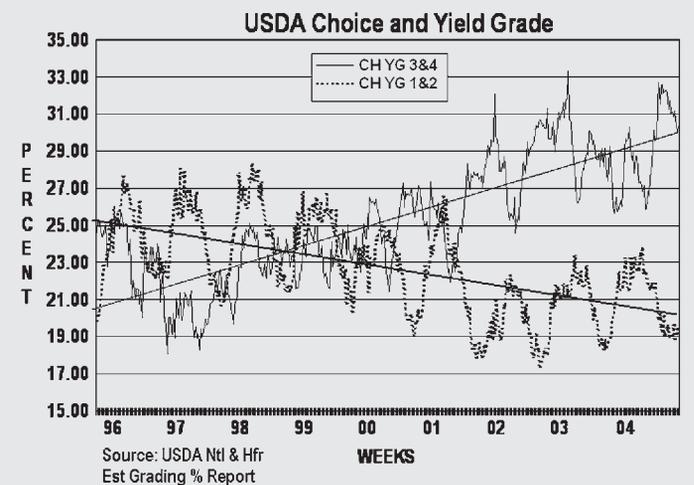
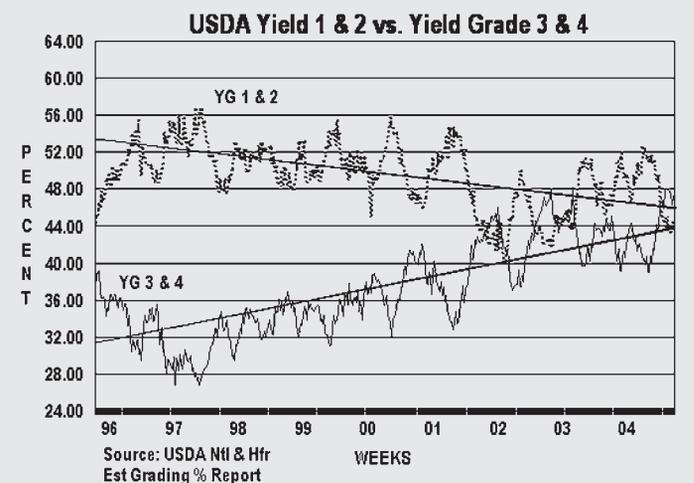


Figure 2.



some graphs of quality and yield grade profiles in the nation's fed cattle marketings.

Figure 1 shows the trend of YG 1's & 2's vs. the trend of YG 3's & 4's within the Choice grade. Note that before 1999 there were more YG 1's & 2's, but the percentage has steadily decreased at the expense of more 3's and 4's in the Choice carcass mix. Remember the days of the beef industry's "War on Fat"? It looks like we've surrendered.

It is important to note that Yield Grades are a combination of external and internal fat on the carcass, the rib eye area, and carcass weight. They were designed to predict the retail product yield from a carcass. Therefore, they have a high economic importance to the packing industry that converts carcasses to either boxed beef or to case-ready retail cuts. Recent discussion among feeders and packers who've witnessed an increase in the number of YG 4's has indicated that smaller rib eyes are a contributing issue.

The second chart, Figure 2 makes a similar comparison, except over all quality grades. The major difference is the inclusion of Select grade carcasses in this chart, but the story remains the same, fatter carcasses and/or less muscle even in the Select grade.

The data presented in the last chart, Figure 3, is the most surprising. While we've had a substantial up trend in the less desirable Yield Grades, the industry has not seen an associated increase in the percentage of cattle grading Choice. It is interesting to note that the CAB program recently announced that the acceptance level has dropped to a record low of 15.6 percent. It has normally hovered around 17-18 percent. Draw your own conclusions; I have my ideas.

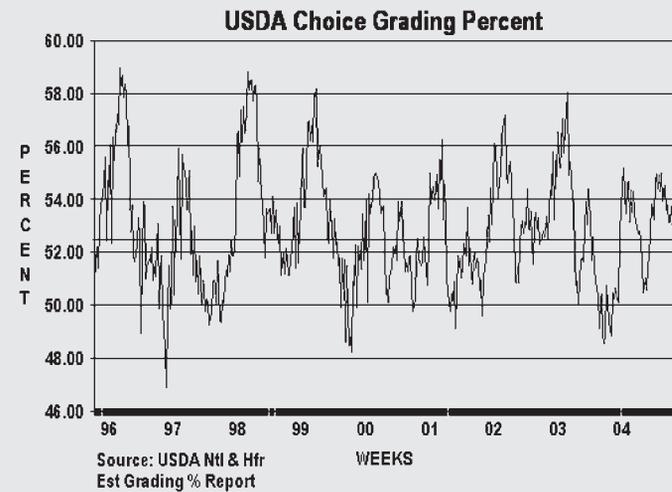
These charts make a strong case for a return to more continental influence in the nation's fed cattle population. While several breeds may bring muscle and reduced fat to a crossbreeding plan, Gelbvieh have distinct advantages over the other popular continental European breeds. Several of the continentals are best suited for a terminal crossbreeding program; Gelbvieh on the other hand, have well-documented advantages on the maternal side. You just won't find a harder-working beef cow than a female with some Gelbvieh influence.

Crossbreeding using the SmartCross® system means that commercial producers will receive the advantages of superior replacement females along with mates that can gain rapidly and efficiently in the feedlot and combine a desirable level of Quality and Yield grades.

Profitability in commercial cattle production is not as simple as just taking aim at a Quality-based grid. It requires a combination of reproductive efficiency, growth, feed efficiency and carcass merit. All documented advantages of Gelbvieh. It also demands that producers take advantage of heterosis.

When it comes to profitable crossbreeding, the SmartMoney is on Gelbvieh!

Figure 3.



Smart Money

The SmartCross[®] For Profitability

Research has proven that crossing Gelbvieh on Hereford or Angus gives you more hybrid vigor than the other major Continental breeds.*

Gelbvieh on British cows provides more pounds, replacements with higher fertility, and more profit.

Balancers[®] provide heterosis, the Gelbvieh advantages, and make maintaining the right blend of Continental and British a snap.

Gelbvieh and Balancers[®] ... crossbreeding made easy, crossbreeding made profitable.

*Specific heterosis research which compared Gelbvieh to Simmental, Charolais and Limousin. Roughsedge et al., 2001

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