RIPPE GELBVIEH

February 2020

What Is Changing Or Staying The Same In Our Beef Industry?

Are Your EPD's In The Stone Age?

What Would Happen If We Stopped Using Beta-Agonists Or Optiflex

Special Speaker Announced

Sires Of Bulls You'll Find On This Year's Sale

Milk EPD

Why Did Our Industry Have More Open Cows In 2019?

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Mission Statement:

"To produce superior Gelbvieh
and Balancer seedstock based on
economically important traits,
which provide more profitability for
our customers, and ensure
the consumer a very satisfying
eating experience."

WHAT IS CHANGING OR STAYING THE SAME

IN OUR BEEF INDUSTRY?

Our industry is constantly evolving but some things stay the same. I decided to write an article on some topics I see changing and some I see staying the same. I think this is something we should all look at before making our next bull purchases.

STAYING THE SAME:

Heavier out weights. Our industry has been increasing out weights of cattle for over 50 years and that trend is not changing. It is pretty simple. It comes down to efficiency. If the number of cattle harvested is constant in a plant for each day, with heavier out weights they can harvest more pounds of meat in a single day. Same thing in the feed yard. Everyone in the feeding industry looks at occupancy in terms of head, but how many look at how many pounds they produce? They should. It is a more accurate number in terms of efficiency. The packers keep raising their carcass weight tolerance. One thing we do have to figure out is what to do with ribeye steaks. With heavier carcass weights our ribeye size keeps getting larger. Do we just cut them in half? I don't know but I am sure we will figure it out.

CHANGING:

Bawling calves are being discounted more and more. Feedlots and backgrounders are struggling to keep bawling calves alive. I think the discount continues to get bigger over the next few years. I think everyone should make plans to wean their own calves. Why is this happening? I don't think anyone fully knows. One idea I have come up with is we are feeding hotter rations. 20 years ago we would feed grass hay and a few pellets or rolled corn with 5 gallon buckets. Nobody wanted to carry too many buckets so we didn't feed the calves that much corn. Another idea is we don't give the calves enough bunk space. We are feeding cattle at 7 to 10 inches of bunk space. We have realized the efficiency advantages of feeding more cattle in a pen. It is hard for everyone to cut the occupancy by a third, and it probably should be cut more. Nobody wants to give a calf 30. My final idea is we are trying to do more with less people. They simply take more management.

STAYING THE SAME:

The industry continues to ask for more black cattle. CAB has completely changed our industry. If you go to a steakhouse, almost all of them are advertising Angus beef of some kind. Black cattle have been bringing a premium in sale barns my entire life, and I believe it continues going forward. In fact, I could see the premiums grow even more. Every grid I have ever seen has a premium for CAB cattle, and now some packers are paying a premium for black only pens.

CHANGING:

China's decision to consider the producer the feedlot. For a long time the biggest sticking point between the US and China on beef trade was traceability. China has just recently changed its view from the cow calf producer being the producer to the feedlot. This is much easier and cheaper for our industry to use for traceability.

STAYING THE SAME:

Demand for choice product. The Choice/select spread continues to get wider each year. I see this continuing. Americans wants to grill Choice steaks because of flavor and tenderness. The rest of the world is figuring out how tasty they are also. What if Wal Mart decided to stop buying select steaks? It would really change then.

ARE YOUR EPD'S IN THE STONE AGE?

I have been preaching Genomic EPD's for several years. Rippe Gelbvieh has been utilizing this technology since it came out. I will not purchase a bull that doesn't have Genomic EPD's. If you are buying bulls from somewhere else, I think it is a discussion you need to be having with your seedstock supplier right away. The increased accuracy level of the EPD's is simply too great.

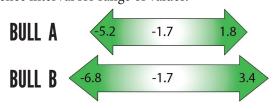
What benefit does Genomic EPD's provide? ACCURACY.

BULL B

BULL A BW -1.7 0.39 3%



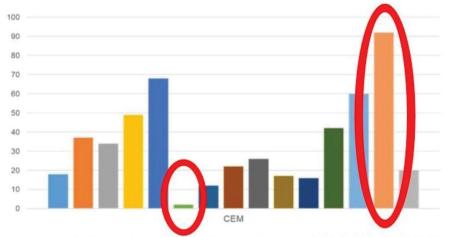
In this example, Bull A has been genetically tested, while Bull B has not. 95% Confidence interval for range of values:



You can see in this chart that both EPD's have the same BW EPD. However Bull A has genomic enhanced EPD's and has an accuracy of 39%. Bull B only has an accuracy of 15%. Statisticians look at this from a confidence interval. They have 95% confidence that Bull A is going to be between -5.2 and 1.8 for birth weight EPD.

Bull B on the other hand has a 95% confidence that the bull will be between -6.8 and 3.4. So, to put it blunt they are not really sure where the hell he will end up. Bull B's EPD's are in the STONE AGE.

Let's look at it one other way. Let's look at variability of EPD's among a set of calves sired by the same bull. You can see in the picture below that there is massive differences. One animal is in the top 1% of the breed for this trait while a half sibling is in the top 92%. Genomics allow you to find these differences right away versus being 10 years older and finding out you made the wrong choice awhile ago.



Genomic variation in Calving Ease Maternal among half-simbling embryos (percentile rankings) all sired by a single high \$B Angus bull

Most people are accustomed to taking chances and gambling in production agriculture. If you didn't have a little bit of that in your DNA you wouldn't be farming or ranching. We gamble enough in production agriculture. Don't gamble with genetics in your cowherd. Every single bull in Rippe Gelbvieh's bull sale has genomic EPD's. We also sire verify every bull in the sale. We use genomics to decide what heifers to keep back in our program and in the future will have a bull sale where all the bulls will be sire and dam verified. We take accuracy seriously. If your seedstock producer doesn't care enough to do genomics, I would find a new seedstock supplier.

WHAT WOULD HAPPEN IF WE STOPPED USING

BETA-AGONISTS OR OPTIFLEX?

Most of the industry feeds Optiflex the last 30 days an animal is on feed. This puts more muscle into cattle the last 30 days on feed. At this time, China and the US are trying to decide if we will continue using it. When most of you get this newsletter a decision might already be made.

What does Optiflex do:

- 1. Increases lean meat in an animal
- 2. Decreases the grade somewhat
- 3. Increases Carcass Weights
- 4. Increases gain
- 5. Increases dressing percentage in cattle
- 6. Increases cutability for the packer

The economic impact to our industry is debatable. I think the feedlot gets a \$10/head boost and I feel like the packer gets \$15 or more. In total I believe it is worth around \$25/head or more.

What would be the impact if we stopped Feeding Optiflex?

- 1. Less lean meat for sale, thus increasing beef prices. This would be due to lower carcass weights and lower fab yield. It would increase the grade, thus lowering the choice select spread.
- 2. There would be more fat and trimming the packer would be required to do. Thus increasing cost for our industry.

The packer would send signals that he needs cattle that would be higher cutability and still Choice grade. I think this could be a game changer for the Balancer industry. Feedlots would look for crossbred cattle even more. I think a straight bred British heifer would be highly discounted. Prior to us feeding Optiflex nobody wanted to feed a straight Angus heifer. Optiflex give us a tool to make it possible. This is why I say to always keep a cross in your cowherd. Never go straight bred of any breed.

SPECIAL SPEAKER ANNOUNCED FOR NIGHT BEFORE BULL SALE **TROY APPLEHANS**



Troy Applehans Market Analyst - Cow/ calf and Stocker Market Specialist

Rippe Gelbvieh is excited to offer this opportunity to the community. Troy Applehans with CattleFax will be speaking at the Country Club in Belleville. I encourage everyone to attend even if you aren't in need of a bull. Troy is a Market Analyst for CattleFax and he specializes in the Cow/calf and stocker market. Troy was a coworker of mine when I was employed at CattleFax.

Cattlefax is a member owned information organization serving producers in all segments of the cattle business. CattleFax was formed in 1968 by a group of progressive cattlemen who saw the value of a self-help system to collect, analyze, and distribute information needed for good marketing and business decisions which has resulted in the largest private database in the country.

Once again I would encourage everyone to attend. There will be something for everyone to learn in this presentation. Please give me a call if you have any questions. The presentation will be on March 13, 2020 starting at 7 PM. Supper will be provided.

Troy is the CattleFax market analyst responsible for feeder cattle and cow/calf regions of the Southern Plains region as well as Southeastern states of the U.S. He also covers feedyards in the Midwest region. Troy is a graduate of Oklahoma State University with a degree in Animal Science and a strong cow/calf and seedstock cattle background. Previously, he was employed by Cargill Animal Nutrition as a cattle mineral specialist, Future Beef Operations as a member of the cattle procurement team and the American Gelbvieh Association as a regional manager. He also served as Director of Field Services/Advertising Coordinator for Cattle Today, Inc. for many years.

"Information is the oil of the 21st century, and analytics is the combustion engine."

- Peter Sondergaard

"What gets measured, gets managed."
- Peter Drucker

Go where the DATA is:

For Females:

- Track Udder Scores
- Measure Cow Size
- Measure Cow Efficiency through percentage body weight weaned

For Carcass:

- Feed out our Steers every year and receive individual carcass data
- Ultrasound Bulls
- Ultrasound Females

For Bulls:

- Disposition Scores
- Homozygous Polled and Black tested
- Higher Accuracy EPDs through genomic EPD testing

Avg. Dam Weight of bulls in the sale is 1310

Avg. Dam Efficiency of bulls in the sale is 54%

32% of the bulls in the pen are heifer bulls

Avg. Birth Weight 80; Avg. Weaning Weight 678

89% are Homozygous Polled

85% of Black Bulls are Homozygous Black

Feeder Profit

Index is an economic selection index designed to aid producers in selecting sires whose progeny will perform in the Feedlot and are sold on a grade and yield. This is an index where it ranks sires whose progeny should do the best in the feedlot.

AVERAGE PERCENTILE RANK OF SALE BULLS EPDS

Black Balancers

TOP 25% of Calving Ease

TOP 19% of Weaning Weight

TOP 20% of Yearling Weight

TOP 12% of Feeder Profit Index

Red Balancers

TOP 35% of Calving Ease

TOP 22% of Weaning Weight

TOP 26% of Yearling Weight

TOP 22% of Feeder Profit Index

Purebreds

TOP 25% of Calving Ease

TOP 39% of Weaning Weight

TOP 29% of Yearling Weight

TOP 11% of Feeder Profit Index

Join Us!



Guest Speaker, Troy Applehans

March 13, 2020 • 7:00 pm • Belleville Country Club

Cattle Fax

Troy is the CattleFax market analyst responsible for feeder cattle and cow/calf regions of the Southern Plains region as well as Southeastern states of the U.S.

RIPPE GELBVIEH BULL SALE

Saturday, March 14, 2020 at 1:00

Belleville, KS • Belleville 81 Livestock Sale Barn Auctioneer: Kyle Elwood, Salina, KS Complimentary Lunch at 12:00

104 Bulls, 67 Black Balancers, 13 Purebreds,24 Red Balancers, 12 Fall Bred Heifers,70 Black and Red Commercial Heifers

Here is what we stand for:

- Customer service after the bull is sold
- Balanced EPD profile
- The Essentials: Sound, Big Bodied, Moderate Framed and Muscular
- Reliable and honest data
- Proper Bull development
- Crossbreeding
- Get the benefit of heterosis and hybrid vigor here!

Video of the bulls, data, and catalog will be posted at www.rippegelbvieh.com

RIPPE GELBVIEH Hubbell, Nebraska

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Duane: 402-200-0096 (Cell) www.rippegelbvieh.com



Raising Bulls for Commercial Cattlemen that fit today and tomorrow.

RIPPE GELBVIEH
[Using data to increase your profits]

SIRES OF BULLS YOU'LL FIND ON THIS YEAR'S SALE

710E

Black Balancer bull that we raised out of Basin Payweight that we are very high on and I thought enough of him that I didn't offer possession for sale. Top 4% for Calving Ease and birth and still top 3% for yearling weight and top 1% for Feeder Profit Index. He is a very moderate framed bull. He puts the pounds on with length and width.

NCE Result	s										E	PDs									1	indexe	s
					G	rowt	h an	d Ma	ternal						In	take a	nd Ca	rcass				Values	,
Dated: 01/14/20	Dated: 01/14/2020 CED BW WV						TM	CEM	HP	PG30	STAY	DOC	DMI	YG	CW	CREA	MARB	CFAT	ADG	RFI	\$Cow	FPI	EPI
Subject	EPD +/- Cha	20 3.9	-3.3 0.9	78	126	22	61	14	9.45	-1.00		13 9.5	0.045	0.17	55	0.32	0.62	0.03	0.014	0.005	79.94	96.38	132.32
% Ranked	ACC	0.58	0.70	0.61 10	13 0.59	7 0.46		5.5 0.31	8.66 0.16	6.32 0.09	5.7 0.24	0.43	1.34 0.06	0.12 0.40	10 0.51	0.26 0.49	0.16 0.45	0.02 0.42	0.18 0.18	0.41 0.13			
vs Active Balancer Sires	Ranked % Rank Active Balancer Sires Prgy/CGs		83/16	40/6	3	25	2	1	10	80	90	2/1	70	>95	1	80	15	90	45	60	85	1	20

532C

Black Balancer bull out of Nevada that we sold in 2016. We have continued to use him in AI because he is a heifer bull. He also excels in marbling. He ranks in the top 2% of the breed for Feeder Profit Index.

NCE Result	s [EP	Ds									I	ndexe	s
					Grow	th an	d M	later	nal						In	take a	nd Ca	rcass				Values	9
Dated: 01/14/20	20	CED	BW	WW	YW	Milk	TM	CEM	HP	PG30	STAY	DOC	DMI	YG	CW	CREA	MARB	CFAT	ADG	RFI	\$Cow	FPI	EPI
Subject	EPD +/- Cha	20	-3.4	62	84	24	55	12 5.5	4.11	# 15 C T T T T T T T T T T T T T T T T T T	14	14 9.5	0.070	-0.12	13	0.41	0.89	0.00	0.035	0.059	102.02	94.02	101.48
% Ranked	ACC	0.59	0.77	0.74	0.73	0.50 15		0.38	6.73 0.30	5.69 0.17	5.7 0.26	0.41	1.21 0.15	0.12 0.40	10 0.54	0.22	0.16 0.47	0.03	0.16 0.25	0.36 0.20			
vs Active Balancer Sires	Prgy/CGs	25/13	160/33	155/43	85/25	9/5	20	11/7	55	40	50	13/4	80	35	90	65	2	55	30	90	45	2	50

DESTINATION

Black Purebred bull that we purchased from Sandy Knoll. This is his first calf crop and we are really excited for a black purebred bull that works on heifers. He excels at Marbling and ranks in the top 15% for Feeder Profit Index.

NCE Results	5											EPDs									1	Indexe	s
				Growth and Maternal BW WW YW Milk TM CEM HP PG30 STAY											In	take a	nd Car	cass				Values	3
Dated: 01/14/20:	20	CED	BW	WW	YW	Milk	TM	CEM	HP	PG30	STAY	DOC	DMI	YG	CW	CREA	MARB	CFAT	ADG	RFI	\$Cow	FPI	EPI
Subject	EPD L/ Cha	17	- 2.4	58 8	92	20	49	9	5.93	2.44	17	11	0.747	-0.03	39	0.47	0.45	0.00	0.179	-0.114	113.64	78.51	130.26
% Ranked	ACC % Rank		4.5	0.59 70	0.57	7 0.42	1715711	No. of Contract	8.66 0.16	2000000	5.7 0.25	12.7 0.28	100000	0.14	100000000000000000000000000000000000000		100000	0.03	0.12 0.41	0.32	0.5	J.E	
vs Active Gelbvieh Sires	Prgy/CGs	13/4	31/9	23/4	45	35	55	15	40	15	25	60	>95	>95	4	80	10	>95	1	5	35	15	4

7195E

Black Purebred that we sold to Ginger Ertel. Bigtime spread bull who has some really nice balancer bulls in the pen. He ranks in the top 30% for Calving ease and top 10% for growth. Top 10% Feeder Profit Index.

NCE Results	5											EPDs]	ndexe	s
					Gr	owth	and	Mat	ernal						In	take a	nd Car	cass				Values	
Dated: 01/14/20	20	CED	BW	WW	YW	Milk	TM	CEM	HP	PG30	STAY	DOC	DMI	YG	CW	CREA	MARB	CFAT	ADG	RFI	\$Cow	FPI	EPI
Subject	EPD +/- Chg	14 3.9	-0.5 1.2	75	113	21	58	8	2.28 7.69	- 1.39 6.32	<u>12</u>	13 11.1	-0.054 1.07	-0.27 0.14	29	0.58 0.26	0.17 0.16	-0.07 0.03	0.030 0.16	-0.161 0.36	81.66	79.59	140.94
% Ranked vs Active Gelbvieh Sires	+/- Chg		30	0.62 10 44/11	10	0.45 30	10	5.5 0.30 25	STATE OF THE PARTY	0.09 75	0.25 80	0.34 35 17/5	0.22	0.14 0.37 55	0.48 20	1.8 3.1	0.16 0.41 65	0.03 0.36 15	0.16 0.29 5	0.36 0.24 4	90	10	3

EPIC

Angus bull that excels from a growth and performance standpoint. This is simply a pounds producer. He ranks in the top 1% for Weaning weight, Marbling, Carcass Weight, and feeder Profit Index.

NCE Res	ults										EPI	Os										indexes	
0.000.000.0000						Grow	th an	d Mat	ernal						Ir	itake a	nd Carc	ass				Values	
Dated: 01/14	/2020	CED	BW	WW	YW	Milk	TM	CEM	HP	PG30	STAY	DOC	DMI	YG	CW	CREA	MARB	CFAT	ADG	RFI	\$Cow	FPI	EPI
Subject	EPD +/- Cha	17	-2.3	98	172	22	71	13	1.20	2.12	12	14		0.36	87	0.49	0.89	0.08				113.41	
% Ranked	ACC % Rank	0.8	0.3 0.95	2 0.94	3 0.94	5 0.63		3.1 0.61	9.62 0.01	6.32 0.01	6.4 0.12	6.3 0.63	l	0.1	6 0.79	0.13	0.08 0.73	0.02 0.64					ш
vs Active Sires	Prgy/CGs	10	10	1	1	25	1	2	85	20	75	20	$oxed{oxed}$	>95	1	65	1	>95				1	Ш

STUNNER

Angus bull that is a Capitalist 316 son that has more growth, performance, and muscle than Capitalist. Top 1% for Feeder Profit Index. We will also have sons out of his sire, Capitalist 316.

NCE Res	ults										EPE)s									I	ndexes	
1.00						Grow	th an	d Mat	ernal						Ir	take a	nd Carc	ass			1	/alues	
Dated: 01/14	1/2020	CED	BW	WW	YW	Milk	TM	CEM	HP	PG30	STAY	DOC	DMI	YG	CW	CREA	MARB	CFAT	ADG	RFI	\$Cow	FPI	EPI
Subject	EPD	17	-1.5	84	134	25	67	13	0.43	-0.14	13	15		0.34	64	0.31	0.74	0.09				99.34	
	+/- Chg	2.3	0.6	3	5	6		4.7	9.62	6.32	7.1	7.9		0.1	6	0.17	0.1	0.02		ΙI			ı
% Ranked	% Rank	0.79	0.86	0.85	0.83	0.55		0.46	0.01	0.01	0.09	0.51		0.53	0.75	0.69	0.65	0.55		ΙI		33	ı
vs Active Sires	Prgy/CGs		15	2	2	15	1	2	90	55	65	15		>95	1	90	3	>95				1	

PROTEGÉ

Red Purebred Gelbvieh bull that has great phenotype, and is out of the great cows in the Gelbvieh Breed. We partnered with Thorstenson Gelbvieh to buy this bull from Gustin. The 3 of us are the only people with calves out of him in the world. Top 20% for Feeder Profit Index.

NCE Results	s										T.	EPDs									I	ndexe	s
					Gro	wth	and	Mate	ernal						Ir	itake a	and Ca	rcass				Values	5
Dated: 01/14/20	ted: 01/14/2020 CED BW W						TM	CEM	HP	PG30	STAY	DOC	DMI	YG	CW	CREA	MARB	CFAT	ADG	RFI	\$Cow	FPI	EPI
Subject	EPD +/- Cha	13	1.1 1.2	72 7	101	16	<mark>52</mark>	9	4.79	0.20	15	11	0.015	-0.34	36		0.27	-0.06	0.000		104.18	77.47	101.41
% Ranked	ACC	0.49	OCE	0.61 15	13 0.57	0.44		0.26	0.09	0.08	0.22	0.30	1.34 0.06	0.14	12 0.46	0.26 0.42	0.18	0.03	0.18 0.18	0.41 0.12			ı
vs Active Gelbvieh Sires	Prgy/CGs	40		40/12	25	65	35	15	50	50	45	60	70	25	10	5	35	30	15	40	55	20	15

HARD DRIVE

Red Angus bull that we flushed a cow too. His semen is rare or at least they tell me that because it costs a lot of money. Bigtime spread red angus bull that ranks in the top 2% for growth and top 1% for Feeder Profit Index.

NCE Res	ults											EPD:	5									Indexe	s
					G	rowt	h an	d Mat	ernal						I	ntake a	and Car	rcass				Values	
Dated: 01/14	1/2020	CED	BW	WW	YW	Milk	TM	CEM	HP	PG30	STAY	DOC	DMI	YG	CW	CREA	MARB	CFAT	ADG	RFI	\$Cow	FPI	EPI
Subject	EPD	12	-1.3	81	128	16	56	5	4.10	-0.65	13	19	-0.127 0.67	-0.02	42	0.47	0.79	0.00	0.056 0.12	-0.170 0.27	92.43	98.02	181.57
% Ranked	+/- Chg ACC	0.76	0.3	2 0.90	3 0.90	2 0.80	8.8.000	2.4 0.73	5.77 0.40	5.69 0.18	3.5 0.56	6.3 0.61	0.54	0.12	8 0.65	0.17 0.61	0.13 0.58	0.02	0.49	0.40	10000		
vs Active Sires	% Rank Prgy/CGs		20	3	2	65	15	70	55	80	65	1	10 21	90	10	70	2	80	10 21	21	70	1	3

MILK EPD

There is a moderate negative genetic correlation between direct and maternal weaning weight in the current growth model, this means animals who have positive weaning weights can see negative movement in Milk. Please note that there has always been a negative correlation however, with genomics, new markers and the marker effects this is now exaggerated. Another thing to note here is that the base animals for the IGS are Red Angus, Simmental, and Angus. This means that breeds outside of that base see some more drastic shifts when changes are made like the move to BOLT.

The good news is the science team at IGS realizes the problems and are working to make adjustments and modernize the EPD. We hope to see these issues clear up this summer. Until then, I would suggest not using the milk EPD in your genetic selection.

WHY DID OUR INDUSTRY HAVE

MORE OPEN COWS IN 2019?

TIt doesn't take a rocket scientist to understand we had more open cows in 2019. Look at the amount of cows being harvested each week or talk to any sale barn managers or local vets. My question is why? Here's 3 possibilities that make the most sense to me.

- A cows maintenance requirements go up when they are dealing with cold and muddy conditions. I think some producers failed to see this until it was too late. We should probably adjust our feed for the momma cows based on weather and conditions.
- 2. Bulls weren't semen checked and we had more become non fertile after how bad the winter was.
- 3. Not enough crossbred cows in our industry. I think this might play a role into #1 some. When conditions are tougher it is more important that your cows are crossbred. Could we have too many straight Angus commercial cows?

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Rippe Gelbvieh 2020 Bull Sale Saturday, March 14, 2020 at 1:00pm

Belleville, KS Belleville 81 Livestock Sale Barn

For More Information Contact

Dustin: 316.323.4874 Duane: 402.200.0096 www.rippegelbvieh.com

Before you sell your feeders, please call me. When I need to buy feeders I would prefer to purchase them out of the genetics we produce.

The more notice, the better. - Dustin 316.323.4874