

Taking Pride In Our Customer's Success **RIPPE GELBVIEH**

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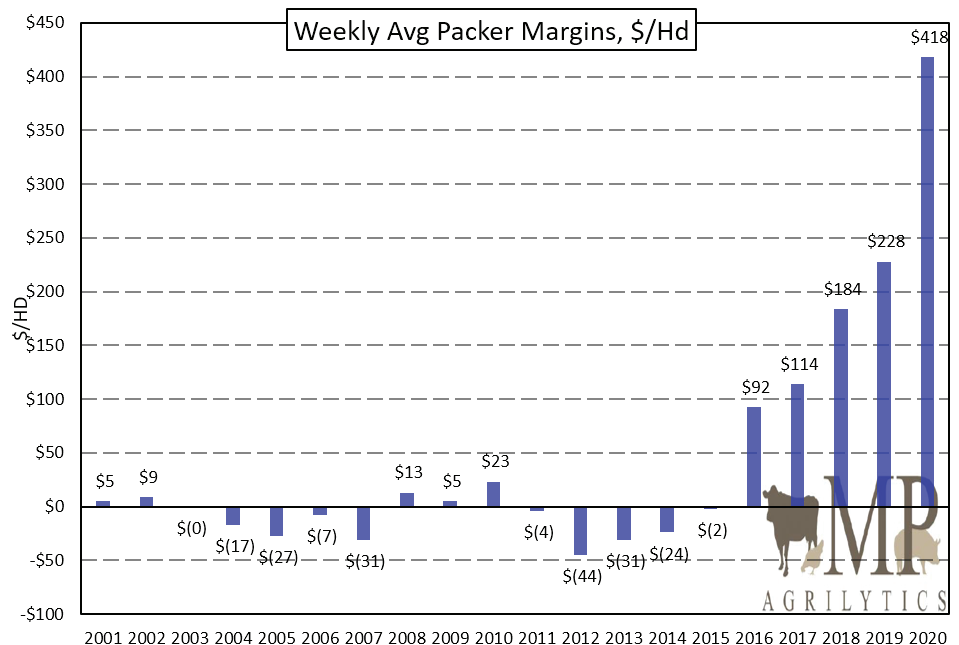
Mission Statement:
"To produce superior Gelbvieh and Balancer seedstock based on economically important traits, which provide more profitability for our customers, and ensure the consumer a very satisfying eating experience."

REASONS FOR HOPE

High Margins Cure High Margins. That is what the old timers tell me anyway. 2020 will be the peak packer margins. For the last 25 years the packing business was a slightly profitable or a breakeven business, until the end of 2015. We have seen them have record profit for the past 5 years. It has been tough on end users, cow calf segment, and feeding segment of our industry.

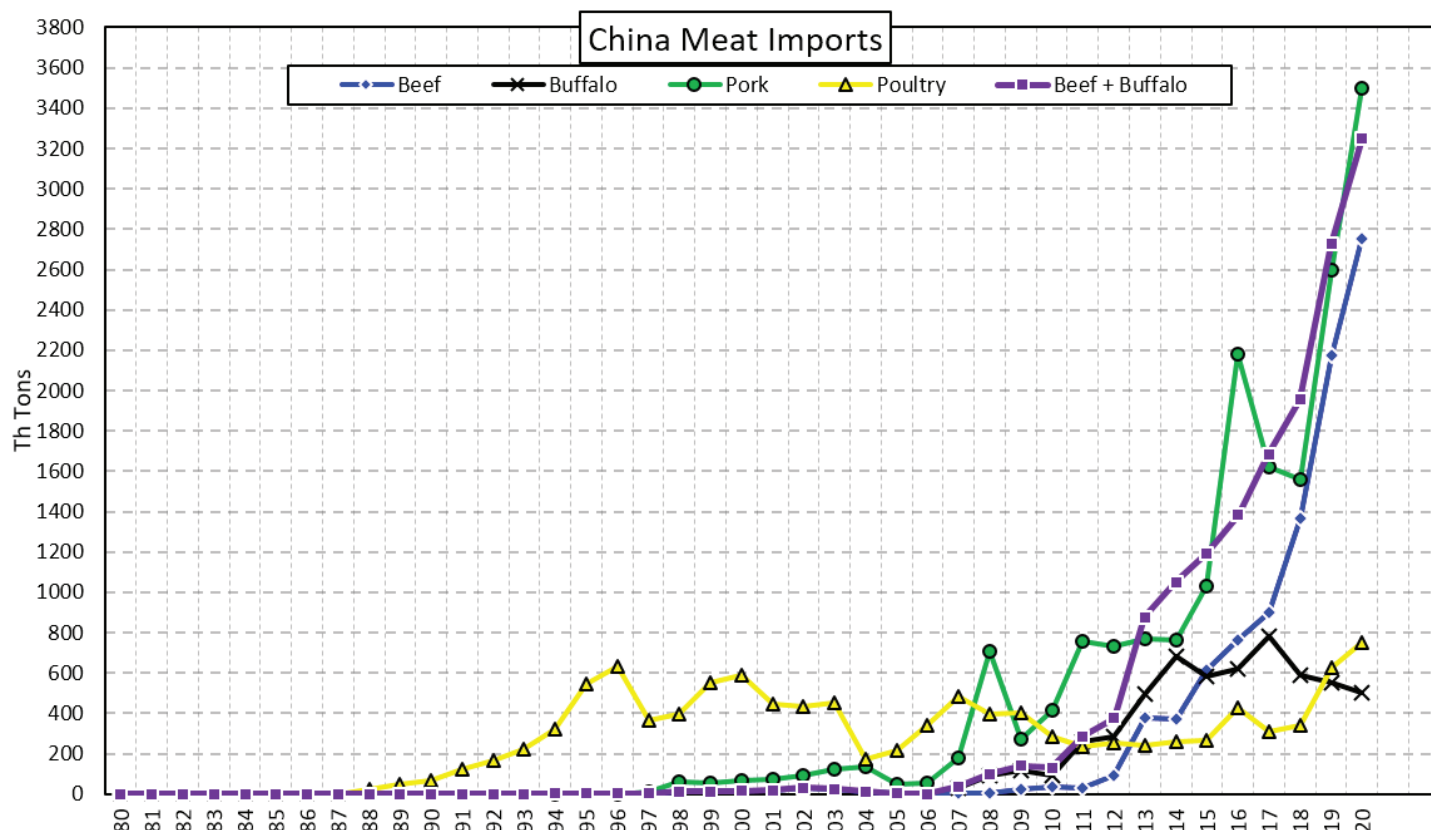
We can't forget how much this has hurt the consumer. The retail margins have also been big. We have lacked packing capacity compared to our cattle numbers. However, both of those are changing. The cowherd has peaked. Packing capacity has been growing. We haven't seen it show up in the data because of Covid challenges. However, we are killing par with a year ago during Covid. I know one major packer is not having any employees over 60 work. Once the workers get vaccinated, how much will kills go up? I think at a minimum 5% and could be as high as 10%. The combination of increased kill capacity and lower cattle numbers will drastically change packer margins.

What does this mean? If packer margins change by \$200, we are talking about \$14/cwt change in fed cattle prices and a \$24/cwt change in 800# feeder prices. It would be even higher on the lighter ones. Let's hope those old timers are right!



CHINA MEAT IMPORTS

The reason pork imports look like they are going up so much is mostly due to African Swine Fever. China is increasing its hog production and will not be so reliant on pork imports. However, beef imports are a different story; they continue to import beef at an exponential rate. They want beef so much they are even willing to import water buffalo from India. I believe China has decided to rely on imports for beef. The US now has access to this market and we are seeing our exports of beef to China increase each month.



DAMS OF DOMINANCE

Rippe Gelbvieh ranked #1 Gelbvieh Breeder for Dams of Merit in Nebraska.

Once a year, the American Gelbvieh Association honors females in the Registry that display maternal dominance with the Dam of Distinction and Dam of Merit program. The program's purpose is to recognize members who make it a point to place emphasis on the all-important maternal traits that Gelbvieh cattle are known for throughout the country.

The Dam of Merit honor recognizes cows that meet the strict selection criteria including early puberty and conception, regular calving intervals, and above average weaning weights on at least 3 calves. Only 6.2 percent of cows qualify for Dam of Merit.

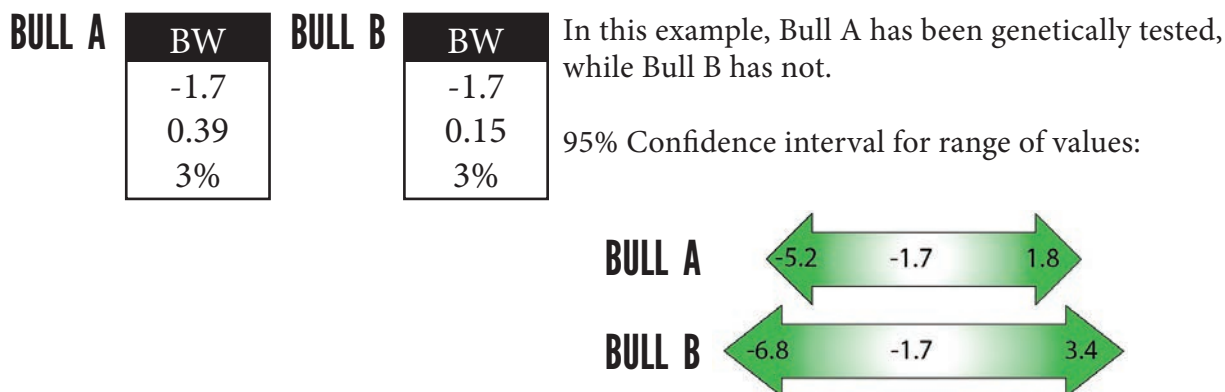
Rippe Gelbvieh ranked #1 Gelbvieh Breeder for Dams of Merit in Nebraska and 6th ranked breeder in the entire United States.

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?

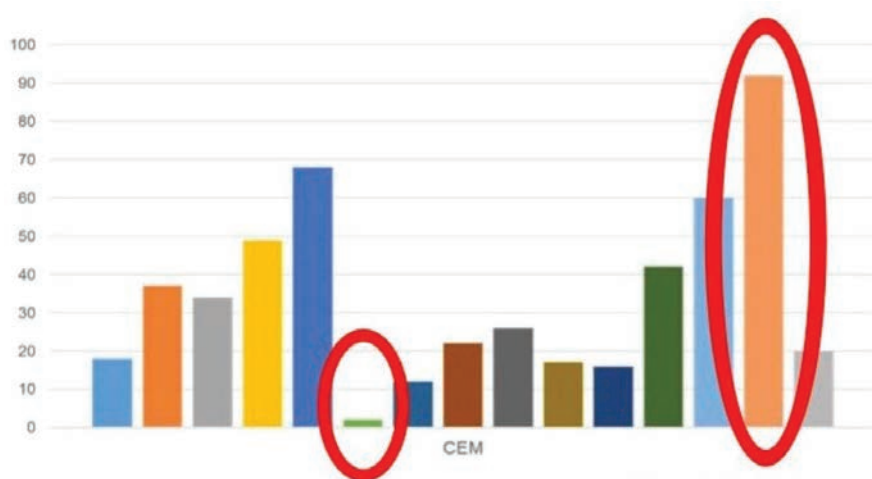
ACCURACY.



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-sibling 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.

"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 **1258**

Avg. Dam Efficiency of bulls in the sale is **55%**

40% of the bulls in the pen are heifer bulls

Avg. Birth Weight **79**; Avg. Weaning Weight **684**

85% are Homozygous Polled

81% of Black Bulls are Homozygous Black

DAMS OF DOMINANCE

Rippe Gelbvieh ranked **#1**
Gelbvieh Breeder for
Dams of Merit in Nebraska

*Dam of Merit is a AGA designation for cows that meet selection criteria including early puberty and conception, regular calving intervals, and above average weaning weights on at least three calves. Only **6.2%** of the dams in the breed qualify.*

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 **24%** of Calving Ease

TOP **33%** of Weaning Weight

TOP **32%** of Yearling Weight

TOP **13%** of Feeder Profit Index

Red Balancers

TOP **35%** of Calving Ease

TOP **45%** of Weaning Weight

TOP **44%** of Yearling Weight

TOP **30%** of Feeder Profit Index

Purebreds

TOP **37%** of Calving Ease

TOP **20%** of Weaning Weight

TOP **16%** of Yearling Weight

TOP **24%** of Feeder Profit Index

Join Us!



Guest Speaker, Troy Applehans

March 12, 2021 • 7:00 pm • Belleville Country Club

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.

CattleFax

RIPPE GELBVIEH BULL SALE

Saturday, March 13, 2021 at 1:00

Belleville, KS • Belleville 81 Livestock Sale Barn

Auctioneer: Kyle Elwood, Salina, KS

Complimentary Lunch at 12:00

**[93 Bulls, 52 Black Balancers, 22 Purebreds,
19 Red Balancers, 14 Fall Bred Heifers,
86 Black and Red Commercial Open 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

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RIPPE GELBVIEH
[Using data to increase your profits]

**Raising Bulls for Commercial Cattlemen
that fit today and tomorrow.**

FEEDER PROFIT INDEX (FPI)

FPI is an economic index designed to aid producers in selecting sires whose progeny will perform in the feedlot and are sold on a grade and yield according to the Gelbvieh Association. However, this truly doesn't accurately describe this powerful index. It combines Calving Ease, Growth, and Carcass traits into one number. If you are selecting from a producer that already puts a big emphasis on maternal traits, I feel like this should be at the top of your selection criteria. I use it heavily in our breeding program, because I live by the philosophy that a bull should either be great at something or good at everything. Meaning I am ok if a bull is a great calving ease sire but is average on growth because we need heifer bulls. I am ok if a bull is just average for calving ease but has great growth. We need bulls to go on cows that will get big in the feedlot. I am also ok with a bull that is good in both calving ease and growth. This is the approach I use when selecting bulls to put on our bull sale.

Let's take a look at our bull pen:

BLACK BALANCERS

The AVERAGE of the pen is in the top 13% of the breed. We only have one bull that ranks outside the top 55% of the breed. There were only 60 bulls in the entire black balancer breed born in 2020 that have an FPI over 95; 10 of them are on this bull sale. There were only 13 bulls in the entire black balancer breed born in 2020 with an FPI over 100; three of them are on our bull sale.

PUREBREDS

The AVERAGE of the pen is in the top 24% of the breed. There were only 17 bulls in the entire Purebred Gelbvieh breed born in 2020 that have an FPI over 90. We have three in our bull sale.

RED BALANCERS

The AVERAGE of the pen is in the top 30% of the breed. There were only 11 bulls in the entire Red Balancer breed born in 2020 that have an FPI over 90. We have four in our bull sale.

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.

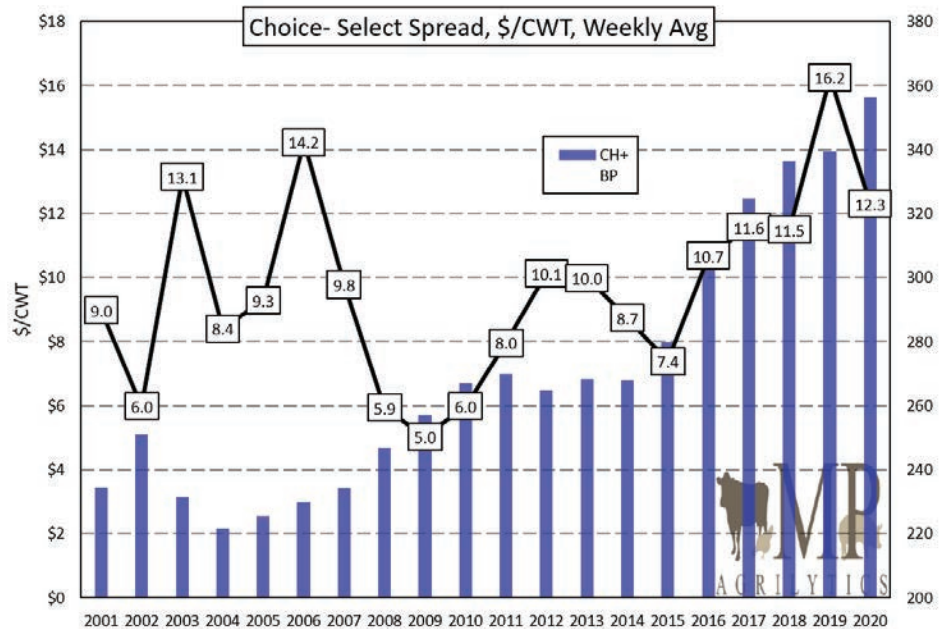
Once again I would encourage everyone to attend. There will be something for everyone to learn in this presentation. Please give me a call if you have any questions. The presentation will be on March 12, 2021 starting at 7 PM. Supper will be provided.

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.

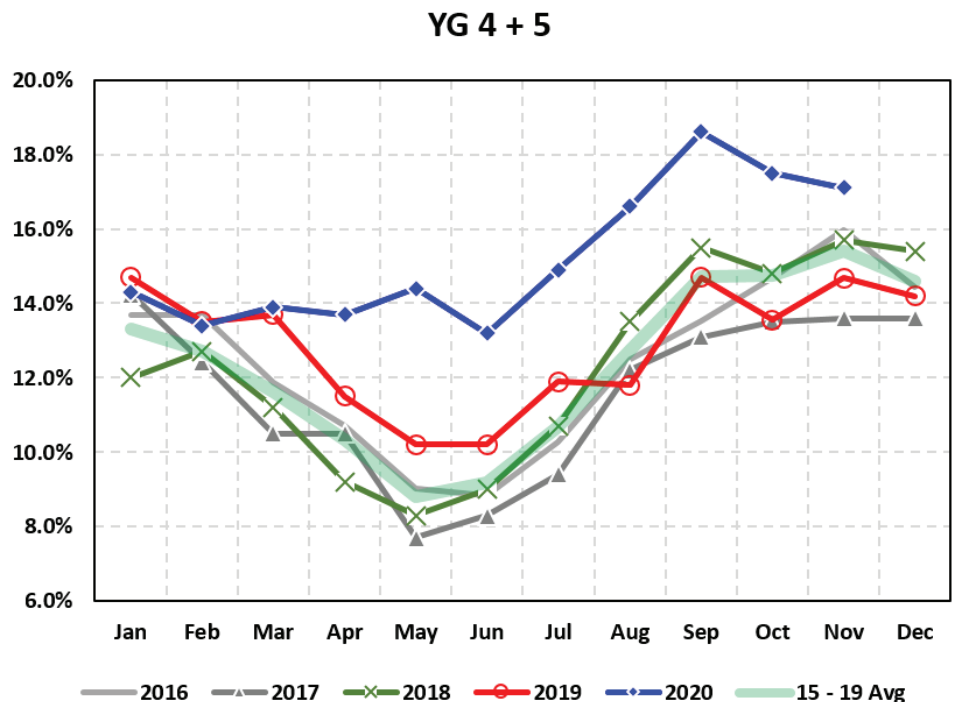
KEY MARKET TRENDS

AND HOW THEY SHOULD AFFECT YOUR GENETIC SELECTION

I feel like there are a couple trends you should know about when making your genetic selections. The first one is the choice/select spread. There is more demand for Choice product each year. You can see that in this graph as the choice/select spread keeps widening. However, the spread is widening while we are increasing the amount of Choice product as you can see in the Blue lines. Since 2004, we have tripled our choice and prime production. During this same time the choice/select spread has went from \$9 to \$12. Increasing supply, increasing price = GREAT DEMAND.



Be careful with purchasing high IMF Angus bulls though. As you can see in the chart, we keep having more and more Yield Grade 4's and 5's. I see that trend continuing because feedlots are forced to make the cattle bigger to break even. Therefore, we need to keep putting growth and muscle in these calves. In some instances, the deduction producers are receiving from YG 4's and 5's is outweighing the premium they are receiving from Choice and Prime carcasses. Keep your program out of the ditch by using Gelbvieh and Angus.



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

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Rippe Gelbvieh 2021 Bull Sale

Saturday, March 13, 2021 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

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