

BULL BUSINESS NEWS

Fall 2010



Design Your Genes

With increasingly accurate tools for genetic progress, beef cattle trait improvement should be as simple as it has ever been. But without proper prioritization, it can become something much less than *progress*. At Dalebanks, we constantly strive to place the proper emphasis on traits which make our customers' lives easier and more profitable. We know that it's about more than just a breed-leading set of numbers. We strive to stay abreast of the needs of commercial cattlemen, but we need your help.

Simply go to www.dalebanks.com and answer a few questions about what would make the PERFECT bull for your pastures. For your time, we'll give you \$50 off of one bull purchase in our 2010 sale. If you do not have Internet access, just describe your perfect bull on a piece of paper and mail it our way—the more creative and detailed, the better!

We look forward to hearing from you, and we'll try to publish the results in a future newsletter if possible. Regardless, we hope you will see your requests come to fruition in the Dalebanks bulls that are produced in the future.

Dalebanks Genetics Excel in Wildcat Feedout

Dalebanks entered a pen of 57 steers and heifers (29 heifers, 28 steers) in the K-State Wildcat Feedout last winter. These cattle were "culls" from our registered cows. All heifers were AM or NH carriers, and the steers were either carriers or were culled due to our rigid evaluation matrix for performance, EPDs, soundness and phenotype.

	<u>Steers</u>	<u>Hfrs</u>
Avg Daily Gain	3.4	3.5
Feed/Gain ratio	6.97	6.78
Cost of gain	\$68.43	\$65.05
Live wt	1233#	1219#
Carcass wt	812#	792#
Dressing %	66%	65%
Prime	39%	52%
CAB	50%	41%
Black Canyon®	11%	0%
Choice	0%	7%
Sel & "no-roll"	0%	0%
YG 1 & 2	22%	7%
YG 3	64%	63%
YG 4 & 5	14%	30%

The cattle were fed at Tiffany Cattle Company, Herington, KS. They performed beyond expectations. Many observers have piled on accolades for how these Dalebanks genetics performed—especially pertaining to quality grade—but we'll simply let the numbers speak for themselves.

Annual bull sale: Nov 20, 2010

12:30 pm At the ranch, Eureka, KS
Selling 111 yearling & coming 2 year olds
See information on back page of newsletter.

What did we learn from retaining ownership?

The cattle were likely fed a couple of weeks too long, but all projected out-dates and contracts were based on a June delivery to the packer, so when they exceeded performance expectations, we had little other choice. We'll know for future years—this is the value in feeding cattle and learning more about their true performance abilities. This knowledge is of tremendous value going forward.

Even with the tight Choice/Select spread, the premiums paid for Prime, CAB and Black Canyon® Premium Reserve (a National Beef brand selecting black hided cattle that exhibit Small 50 marbling and higher) more than outweighed any discounts received for the Yield Grade 4 & 5 carcasses. Net premiums (after discounts) on these steers and heifers were more than \$130/head!

Admittedly, we had our share of "reality checks" on these cattle. We lost one heifer due to wet, severe conditions during the winter, and one heifer suffered a broken leg after being unloaded at the packing plant, so she was condemned. Plus, we had one heavy steer carcass (by 7 pounds) that was discounted. But even with these three, the entire group made roughly \$217/head profit on a \$90/cwt market.

These bottom-end steers and heifers mirrored what we have seen by developing thousands of bulls over the past decades. Even though our bulls are grown on a much lower energy, higher forage diet, it is clear that Dalebanks genetics have the ability to achieve optimal gains at very efficient levels. They also deposit large amounts of marbling in short periods of time—without being "pushed" at high energy levels.

This, along with our rigid selection process for range cow fertility, are what continue to help Dalebanks customers achieve maximum profitability. Whether cattle are marketed off the ranch, out of the feedyard or on a value-based "grid," do-it-all Dalebanks genetics can boost ranchers' profitability by maximizing revenues while minimizing inputs. Again, this is true EFFICIENCY.

As our customers consider marketing options for their Dalebanks-influenced calves, they can rest assured that if market conditions indicate that feeding their cattle could be the most profitable decision, Dalebanks genetics should offer the optimum growth, conversion and grading ability that result in the highest returns possible.

Investment in Time and Dalebanks Genetics Prove Valuable in South Texas Market

By D. Russell

Fit the cows to the environment, and then pair them with bulls that will improve the value of their progeny. It's a time-tested plan advocated by beef industry experts. With a thorough understanding of his market and environment, seasoned Angus seedstock breeder Lee Mueller has found both at Dalebanks Angus. He's been successful at making Dalebanks bulls and females fit into his own and his customers' commercial operations by exchanging information and creating a more valuable end product.

With a keen business sense and track record for building and managing successful businesses, Lee has been able to infuse predictable Angus genetics into the heavy Brahman influence prevalent in south central Texas. Dalebanks genetics have proven to work in Lee's commercial customers' environment while providing easy calving, easy fleshing, fertile, high growth genetics that work in the demanding South Texas climate.

For many years, Lee searched for genetics that were accurately represented, only to be disappointed with cattle that didn't perform according to how their Expected Progeny Differences (EPDs) projected. Then, he learned about Dalebanks Angus. Tommy Williams, a friend of Lee's and past sale auctioneer at Dalebanks, introduced Lee to the Perrier family. "Back in the 1990s, I asked Tommy where I should go to buy quality cattle that were properly represented and would perform better for me than their current owner." Lee attended his first Dalebanks sale in 1996 and has been going back each year, buying both females and bulls at the annual production sale every November and through private treaty.

An accurate representation of breeding stock is exactly what Lee found in Eureka, Kansas. Lee explains, "It's so refreshing to go to an Angus sale and what you see and what's represented to you is real. It's not made up in order to get you there on sale day and into your pockets. When I buy something from them, not only are the cattle more than what they lead you to believe, but they perform better than anything I got anywhere else. Not everyone does business that way."

Lee and wife, Barbara, owned and successfully operated Live Oak Farms, near La Grange, Texas, for 46 years, supplying quality registered Angus seedstock to commercial beef operations. Although smaller in scale, they recently moved to North Carolina due to family obligations and Lee operates a commercial Angus business.

Live Oak Farms selected their breeding stock using EPDs, actual weights, and phenotype, and chose genetics that would complement the existing genetics in



Barbara and Lee Mueller understand the value of Dalebanks genetics and have successfully integrated the genetics into Brahman-cross commercial herds using mentoring and accurate data.

the area. "I was looking for cattle that had some growth to them, as well as size and performance. Part of my challenge in the 1960s was to breed Angus cattle that would grow and actually weigh more than the bigger framed Brahman cattle at the same age, and would have a calf at two years of age. Fertility was a big issue for a lot of these Brahman type cattle, so that was very much part of our program."

Overall size and moderate birth weights were also emphasized. "A small birth weight is one of the Angus breed's biggest selling points. At the same time, the breed offers something that grows and has the size, vigor, gain ability, and good feet and legs that's needed to make money."

Dalebanks genetics fit Live Oak Farm's breeding and management plans and helped Lee's operation be profitable and reach expectations. Lee quickly found the versatile Dalebanks genetics could be profitable and even prosper in different environments, including his own. He understands the bulls and females at Dalebanks are raised in a demanding, commercial-type environment with little pampering. "I was looking for registered cattle that would perform in a commercial operation. I selected their best bulls as clean up bulls. In some circles that might sound negative, but that's not the case because we only attained a 40-50% conception rate after artificial inseminating for one cycle and then we would turn out Dalebanks bulls. Their bulls performed better many times on the [Angus Association's Angus Herd Improvement Records (AHIR)] program than our AI sires. That's how I was convinced their genetics helped us accomplish goals we had set for ourselves."

Many times, Lee's selection criterion has proven to be a good investment. Dalebanks' females frequently increase in value once they leave Eureka. In one particular case, he experienced this after buying a small group of heifers. He then bred and managed them right for his customer base. The next year, Lee sold them as cow-calf pairs, selling for more than three times the original purchase price.

A docile temperament is a trait Lee appreciates, too. He recently purchased a small group of fall bred cows from Dalebanks. "If working cattle through a chute by yourself can ever be a "joy," then these cows certainly were. In my 46 years of doing this, I have never had a group of cows that were as easy to work with as these."

With a desire to introduce commercial beef producers to the benefits of Angus genetics and truthful performance data reporting, Lee founded the Lone Star Angus Alliance. Since 2001, the alliance has been successful raising, developing and merchandising registered bulls and females to commercial beef operations in south Texas, emphasizing low birth weights and moderate mature heights to complement the common Brahman influence. Predictable carcass EPDs are also incorporated into the sale offering.

Dalebanks genetics are prevalent in several herds within the alliance, which helps build the accurate data behind the sale offering. Because Lee was very satisfied with his Dalebanks purchases, and normally topped the alliance's sales, other alliance members took notice and some have incorporated Dalebanks genetics into their herds. Each alliance member has pledged to

accurately report performance data into AHIR. Lee adds, "I had some ideals and I wanted to make a contribution to the breed by having an animal to sell to someone because I know it'll go into his operation and make money for them and not be a problem. And, I was willing to make whatever financial sacrifices necessary. Those ideals and integrity, I'm happy to say, are what the alliance adopted and the people who are still in it live by that. I think it's paid off for them because they're still in business."

The Dalebanks guarantee is solid and something Lee sincerely appreciates. "Dalebanks genetics have proven time and time again to meet my expectations." Lee admits that's a very subjective statement, "... but that's something I didn't experience with other operations, so that was very refreshing."

Lee Mueller has proven how predictable Angus genetics can increase the value of commercial beef herds, all while educating and mentoring potential customers. He's not one to shy away from a challenge. He's glad Dalebanks genetics have been his trusted partner through the process. "You can depend on what Tom or Matt say about their cattle and that's the way it should be. If there was ever a problem, they would take care of it. Their reputation of being responsible and standing by their cattle is a fact."

Roping In Beef Lovers Back East

Matt and Amy Perrier were invited by U.S. Premium Beef (USPB) to represent National Beef Packing Company in a series of in-store beef promotions at the Stew Leonard's chain of markets in Connecticut and New York. While in the area, Matt and Amy were also privileged to appear live with Chef George Lorenzo and Bill & Debbie Miller of USPB on "Fox & Friends."

While on the Fox News set in downtown NYC, they were able to see how our nation's news is presented to millions each day. Besides assisting Chef George in a beef cook-off, Matt and Amy were asked to teach weekend anchors Dave and Alisyn how to rope...on live television!

They also had the opportunity to grill, slice and serve approximately 1000 samples of ribeye steaks to consumers in Norwalk, CT, and Yonkers, NY.

Although it cut into the last few days of spring Al'ing (*thanks, Dad and Eric!*), it was a tremendous opportunity to hear exactly what is "front of mind" with consumers along the east coast. Rest assured...those consumers love their beef. They hear all of the reasons *not* to serve our product, but they still yearn to have "permission" to EAT BEEF. And they crave stories about farmers' and ranchers' way of life "out west."

They are not only hungry for our product; they are hungry for our culture and our stories. If we don't tell them about it, those who wish to eliminate animal agriculture will interject their slanted viewpoint in our absence. It is time for each of us to do all we can to better communicate with urban and suburban consumers on a personal level.

Research Shows Reduced Carbon Footprint

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According to a new study released in mid-July, advances in productivity over the past 30 years have reduced the carbon footprint of modern beef production in the U.S. The study, funded in part by the Kansas Beef Council, was conducted by Washington State University assistant professor Jude Capper and compared the environmental profile of the U.S. beef industry in 2007 to its historical production practices in 1977.

Capper's research revealed improvements in nutrition, management, growth rate and processing weights, significantly have reduced the environmental impact of modern beef production and improved its sustainability. When compared to beef production in 1977, each pound of beef produced with modern practices used 10% less feed energy, 20% less feedstuffs, 30% less land, 14% less water and 9% less fossil fuel energy. In addition, there were 13% fewer animals processed in 2007 than in 1977, but those animals produced 13% more beef. By producing more beef with fewer resources, Capper found the total carbon footprint for beef production was reduced by 18% from 1977 to 2007. During her presentation at the American Society of Animal Science meeting, she said these findings challenge the misconception that historical methods of livestock production are more sustainable than modern beef production.

"It's important to note that all food production has an environmental impact, but improvements in efficiency have clearly reduced the greenhouse gas emissions and overall environmental impact of beef production," said Capper. "Contrary to the negative image often associated with modern farming, fulfilling the U.S. population's requirement for high-quality, nutrient-rich

protein while improving environmental stewardship can only be achieved by using contemporary agricultural technologies and practices."

The study used a whole-system environmental model that integrated all resource inputs and waste outputs within the beef production chain, from crop production to beef arriving at the processing plant. Other state beef councils that joined KBC in supporting this project through a research grant include Iowa, Nebraska, South Dakota and Washington.

Note from the Perriers: Now THIS is information that we all need to share with the world...our neighbors, urban-dwelling consumers...everyone who will listen!

Private Treaty Bulls to Be Scarce

As was stated last year, due to the sale of later-calving fall cows and an increased culling percentage, we will have very few fall bulls available at private treaty.

Therefore...**winter and early spring bull buyers take note**...if you plan to procure Dalebanks genetics, please do so on sale day, as we will not have many private treaty bulls this winter or early spring. If you cannot attend the sale, please contact us...we can work with you to select bulls that meet your needs...satisfaction guaranteed.



The Bulls That Sell

This year's bull offering illustrates our family's 106 year commitment to balanced-trait, profitable bulls produced for the commercial cattle producer. Their average EPDs show that they excel in a wide range of AHIR-recorded traits.

Their phenotypes show that they are sound-structured, moderate-framed bulls that should perform well in a variety of environments.

And the cowherd behind them demonstrates the ability to breed early in a real-world scenario, raise a sizable calf annually, and have the necessity (NOT "convenience") traits of udder quality, docility and longevity to stay in the herd for many years.

Tom & Carolyn 620-583-6956
Matt & Amy 620-583-5033

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The 70+ spring long-yearling bulls have spent the summer on a section of native grass here in the Flint Hills. They have been pretty rough on each other the past several months, but as the adage goes...what doesn't kill them, only makes them stronger. The fall yearling bulls are currently being developed at Sylvester Bull Development north of Wamego. These 45 young studs are growing well and are sure to be looking good on sale day.

As always, the bulls will be freeze-branded, vaccinated, PI tested, and evaluated for fertility by a veterinarian. Plus, they sell with the Dalebanks first breeding season guarantee. Put these bulls to work in your herd and see how the Dalebanks difference can help improve your profitability.

Annual Bull Sale

Saturday, November 20, 2010 12:30 pm

At the ranch, 3 ½ mi NW of Eureka

Selling 111 bulls – 65 coming 2 yr olds and 46 fall yearlings

All ultrasounded, fertility tested and ready to work

Sired by: Retail Product, Nebraska, Objective, Predestined, 1023, Foresight, In Focus, Final Answer, Fintry of Graham, 5050, Net Present Value, i87, New Standard, Solution, Grid Maker, Daybreak, K205 and others.

This year's bull offering illustrates our family's 106 year commitment to balanced-trait, profitable bulls produced for the commercial cattle producer.

- Their EPD show that they excel in a **complete** range of AHIR-recorded traits.
- Their phenotypes indicate that they are sound-structured, moderate-framed bulls that should perform well in a variety of environments.
- The cowherd behind them demonstrates the ability to breed early in a real-world scenario, raise a sizable calf annually, and have the necessity (NOT "convenience") traits of udder quality, docility and longevity to stay in the herd for many years.
- The bulls were developed for roughly 100 days on a forage-based development ration at Sylvester Bull Development, Wamego, KS. The coming 2 year olds have spent the summer on native pasture.
- All bulls veterinarian-examined as sound breeders, vaccinated, poured, and ready to use this fall or spring.

Put these bulls to work in your herd and let the Dalebanks difference help improve your profitability.



1021 River RD
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