

The Bulls

Our November 19 bull sale will feature 130 head of top-quality genetics that represent more than 118 years of our family's objective to produce Practical. Profitable. Genetics. for top commercial and registered producers across the country. These bulls combine optimal levels of calving ease, growth, carcass and maternal traits and have been developed for optimal size, soundness and longevity. As we see the seedstock business become even more segmented, our family is steadfast in our belief that cattle should SIMULTANEOUSLY offer soundness, genetic performance and longevity...not just one or two of these important qualities.

We will start the sale with the top 50 bulls from the spring 2021 calf crop. These bulls were sorted from over 130 spring bull calves born in the Dalebanks program. They were developed last spring and have spent the summer grazing native pasture. They truly are the "best of the best" in every way. Now, many of these were born in February of 2021, so don't be surprised by their lack of ears and the occasional short tail.

After these stout coming 2-year-olds sell, we'll offer the top end of another tremendous crop of fall-born yearling bulls. These bulls recently came off of their summer grazing period and have now begun the development phase on their forage-based ration. They will be sired by many of the same sires as the older bulls with a couple of new sire groups (see back page for list).

We realize that there are numerous choices in Angus bulls today. You may find bulls that have higher EPDs for a given trait or two. Other programs might have higher actual weaning weights. Some bulls might display a fancier "look." And yes, there are certainly cheaper bulls out there, as well.

But customers who have tried "Brand X" bulls and then return to buy "Open D" bulls indicate that finding bulls like ours that combine structural soundness, optimum EPDs, early growth, calving ease, and docility is increasingly difficult today.

We look forward to visiting with you about the breeding philosophy and disciplined culling that have helped us produce Practical. Profitable. Genetics. for 118 years. Call, text, email or stop by anytime.

Practically Ranching

Last spring, Matt initiated a new project when he debuted a podcast called Practically Ranching. As he referenced in last spring's newsletter, he discovered podcasts a year ago as an effective way to gain knowledge, news and entertainment while driving or doing other tasks around the ranch. On a whim, he floated the notion by his kids one Sunday, and to his surprise, they liked the idea.

So after a steep learning curve and significant trial-and-error, he released his first official episode of Practically Ranching on May 28. Released each Wednesday morning, these podcasts are approximately an hour long and aim to capture conversations with interesting folks who share their experience, insights and ideas about a wide range of topics related to the beef industry and rural America.

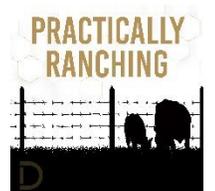
Episodes are available on Apple Podcasts, Google Podcasts, Spotify, Stitcher, SubStack, and Buzzsprout, or may be accessed through www.Dalebanks.com. Still in its growth phase, Matt welcomes your feedback on how to make Practically Ranching better, so please give it a listen, subscribe or follow, and then reach out to him with your thoughts. Thanks for listening!



At 10 years old, Blackbird 216 of Dalebanks and her Growth Fund heifer calf illustrate

Practical. Profitable. Genetics.

Her 2021 son, Dalebanks Tahoe 1564 (20151275). sells 11/19/22!



Managing What We Measure

Each year, we begin the mid-summer task of designing our sale advertisement. Each year, the process begins with WAY too much text, copy and content (Perriers are in the upper quartile of the population for wordiness). And each year, we realize that it takes an article to adequately get our one-page advertisement's point across.

Thus, this newsletter.

Let us start by stating the obvious: **we believe in Angus EPDs and their associated \$Values.** We also believe that the “three-legged stool” of actual measurements, individual genomic testing and ancestral records are ALL critical to the long-term legitimacy of said EPDs. Plus, none of these genetics are of value unless we have a sound, healthy animal to deliver them.

The irony of new technologies like genomic-enhanced EPDs is they make the “old school” components of actual measurements (weights, linear measures, scores, etc) MORE valuable than ever before. Without getting into the weeds, genetics are constantly mutating, and without current phenotypes being fed into the system, genomic technologies become outdated and nearly irrelevant.

Unfortunately, capturing this data comes with significant cost and labor, so many breeders have opted to reduce or even cut out the collection of weights, ultrasound images, heights and phenotypic scores and measurements. In cases of novel EPDs like reproductive traits and foot scores, some herds never even started collecting and submitting phenotypes in the first place.

Admittedly, there's no crime in this. Historically, genetic evaluation has been a voluntary effort. Those who believe in the system participate by feeding phenotypes (and today, genotypes) into the genetic evaluation. Those who don't, don't. And for the most part, a critical mass for accurate EPD calculation is usually achieved with those who still collect the data. And—for the most part—astute commercial cattlemen have rewarded those programs who spend the time, effort and money to collect data with significantly higher prices for their bulls, as they have usually offered more reliability of data and outcomes.

Our hypothetical question becomes, “What happens when all of us take the path of least resistance and simply collect and submit genotypes, without associated phenotypes?” Similar to today's struggles in fed cattle marketing, do we have 15-20% of the cattle (or less) trying to set the “baseline” for the rest of the genetic population? If so, what is the minimum requirement for adequate representation of a genetic pool? I'll leave that discussion for another day (as we often say these days, “That would make a great podcast topic...”).

But for this article, the takeaway is this: accurate phenotypes (actual weights and measures, submitted in a proper contemporary group) taken in a practical management scenario and submitted for analysis have immense value. They help us find “genetic outliers.” They help further refine the genomic technologies. Plus, they display a commitment by the seedstock producer to the system. They demonstrate the belief that a long-term approach to genetic selection and production takes time, effort and money.

That's why, as our ad depicts, we believe that the list at the bottom left of registration papers from the American Angus Association bears some attention. For bulls (and females) purchased from our family, **this list will be very inclusive:**

calving ease score,	yearling height,	pastern angle,	ribeye area,
birth weight,	scrotal circumference,	hair shed score,	fat thickness,
weaning weight,	docity,	ultrasound scan wt,	rump fat, and
yearling weight,	claw shape,	intramuscular fat,	pregnancy status.

Plus, we collect mature cow phenotypes such as teat size, udder attachment, mature cow weight, height and body condition that are submitted on every cow, every year.

We get it. EPD and \$Value levels and percentages are one of the simplest thresholds to compare when evaluating a seedstock provider or individual animal. But we believe that there might be equal or more value in the process that resulted in those EPDs.

As you evaluate your next bull purchase, make sure your genetic supplier understands, participates, and believes in the role of phenotypes in the genetic evaluation system. Because you aren't just buying a bull, you're investing in genetics that will produce progeny that best fit your needs.

Make sure your genetic provider has done the same.

The advertisement features a large graphic with the text "we can't **MANAGE** what we don't *Measure*". Below this, it lists the EPDs and \$Values of Dalebanks genetics, noting they are backed by decades of data collected and submitted with the utmost integrity, including generations of:

- Actual weights & measurements
- Stable contemporary groups
- Real-world management
- Whole-herd submissions
- DNA/Genomics/Pedigree verification
- Fertility, heat and foundation traits

The ad also promotes a sale: "SELLING 150 BIRTH-RAISED YEARLING AND COWING 2-YEAR-OLD BULLS NOV. 19 NW of Eureka, KS". It includes a registration form with fields for sire, dam, and other details. At the bottom, it says "Check the bottom of your bull's papers. Don't just buy 'numbers', be sure they're backed by accurate data from a program with a long-term focus on Practical, Profitable, Genetics for the commercial cattlemen." The Dalebanks Angus logo and contact information are at the bottom right.

Efficient AND Effective

For as long as I can recall, agriculture—everything around me, really—has preached efficiency. Labor. Feed. Fuel. Water. Production. Time. We are constantly encouraged to do more with less.

When using most natural resources, there is usually merit in improvement of efficiency, at least to a point. But after hearing the business mantra “get big or die,” I now question whether continued efficiency of scale is the appropriate objective for most family businesses—especially in agriculture.

Most economists will agree that there is a critical mass that must be achieved to afford the basics of a farm or ranch. If you’re going to own a pickup, bale bed and cube feeder, you’d better have enough cows to allocate its fixed cost. Same way with a tractor or other equipment necessary to operate a farm or ranch today. From a marketing standpoint, there are similarities. Usually, there are advantages to being able to market a “load lot” of calves or yearlings. But after that, there is a point of diminishing returns on additional production levels.

Plenty of fingers have been pointed at the “Big Four” packers, and they have taken plenty of heat for their business practices (whether intentional or not) over the past several years. History shows that this sector has always been a highly consolidated part of our business and has used production efficiency as its competitive advantage in the marketplace. “Black Swan” events like the Holcomb plant fire, JBS Computer Hack and COVID-related labor issues shone a bright light on the shortcomings of our hyper-consolidated production model. As a result (and for the first time in my lifetime), there are business models aimed at smaller, higher-service meat processing businesses (aka “local butchers”) that—at least since 2020—have seen enough margin to thrive. Will there be enough demand for this business to continue as we enter this phase of the cattle cycle? Time will tell.

In terms of animal performance, efficiency of gain is obviously a driver of profit, but only if quality is not adversely affected. Think of the “War on Fat” that was waged in the 1980s and early 1990s. Yes, we made huge strides in feed conversion, average daily gain and yield grade, but consumer demand also plummeted due to the associated decreases in quality grade, tenderness and customer satisfaction.

In this piece, I want to focus on the cow-calf segment.

Whether it’s Dalebanks Angus, our neighbors or our customers...I’m not sure the quest for continued growth is always our healthiest business strategy. As non-family labor gets harder to secure and variable costs like feed, fuel and fertilizer see immense price increases, each incremental unit of production added (past that critical mass mentioned above) still has significant cost, regardless of operational size.

Indications are that future price premiums may be tied to documented production and management methods instead of—or in addition to—rewards for growth performance and quality grade. Right or wrong, consumers appear to be more interested in HOW we produce food than in the FOOD ITSELF (think GAP, NHTC, Sustainably-raised, etc). And where consumer interest goes, so go production incentives and “premiums.”

Our purpose is not to encourage inefficiency, but it IS to suggest that we believe that there is hope for mid-sized operations who can stay relevant by improving their *effectiveness* of production, not just their size, volume, and *efficiency*. Stay focused, flexible, and engaged. We look forward to working with you during this transition in production agriculture.

*Efficiency is doing things right.
Effectiveness is doing the right things.*

-Peter Drucker



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Practical. Profitable. Genetics.
Annual Sale November 19, 2022

12:30 pm at the Dalebanks Angus Sale Facility, 1030 River RD, Eureka, KS

**Selling 130 yearling and
coming 2-year-old bulls sired by:**

Tehama Tahoe
Connealy Cool
OLC Big Texan
Sitz Stellar

DVF Growth Fund
Tehama Patriarch
PLC Charisma
Raven Powerball

*Bulls with optimal balance of
MATERNAL, CALVING-EASE,
GROWTH and CARCASS TRAITS.*



Contact Matt to receive your catalog!
620-583-4305 (text/mb) mattperrier@dalebanks.com

*We will not be selling any heifers through the sale this fall.
We will have groups of fall open heifers, spring bred heifers and spring bred cows
available at private treaty this fall.
Contact us for details.*

Dalebanks Angus
1021 River RD
Eureka, KS 67045

