October 2014

I am way behind on updating the cattle feeding results! They are still very good, with over \$100 in premiums realized. It boils down to this: the opportunities on known performance calves are still there, you just play with more money than before in the process! The calves are worth more, etc. In the long run, we still feel we make more money feeding our calves than selling them at weaning!!

November 2013

I just realized how long it has been since I wrote anything for this 'blog'! The drought had drug on for another year, ponds were dry and we were, like everyone, wondering if we would have to start selling more cows this fall. Luckily, we had some timely rains the end of August and the ponds are full and things look better. We are a long way from feeling the drought is over, and will have to lighten stocking rates again this next year to make sure the grass recovers. Last winter's feedlot performance was excellent, but the cost of corn made the whole process very stressful. We still actually made a little money on the calves, even with \$7.50 corn, but the prospects for this year look infinitely better!!

August 2012

The winter of 2011-2012 was very mild, thankfully! After a long hot dry summer and fall, we figured we deserved it! Unfortunately, it forgot to turn on the faucet and we had another long dry summer this year. As with most, it has meant low or dry ponds, hay shortages and crop failures. It makes the good genetics really shine, however, and leads you to the conclusion that now is not the time to skimp on the right genetics for your climate!

The cattle fed very well this past year, as they usually do in a dry winter. We had one new first, for us. In the 80 years that we have record of (Grandpa is 81!), we have never had a wheat harvest in May, so we still had cattle on feed during wheat harvest! We usually try to have all the fats shipped before we have to deal with harvest, so they are gone by the second week of June. Not this year!

I will compile the caracass data and update the totals soon. The one thing I can say for the cattle we custom fed: even though they paid over \$7 for corn and sold cattle below the \$120 mark, they made money! I have run the projections for \$8 corn and marketing the cattle in May next year, and they will work also, so onward we go!

March 2010

The fall calves have all shipped as of last week, and the buyer from National called me yesterday and said that we were slipping. I instantly was in a panic, since, with age and source verification and all the audits we go through I thought I had screwed up some paperwork. But it was just to poke us because we had one animal go select. One, out of 115! So after I mentally killed him (!) we had a laugh. Cold weather does make cattle grade better. Something in the body clicks on and says we might need the fat, and with that extra stress, they always grade higher, and luckily, they still gained pretty well. It has been the winter from hell, but what helped in our feedlot pens was when we got the 20 some inches of snow, the 60mph winds that came with it blew the pens clean. That really made a difference on mud.

The spring calves were ultrasounded last week during spring break (ah, child labor!) and have a color coded tag for their respective out group. The bulls are scanned and off test, the cows are 80% done calving in 3 weeks and spring is maybe finally here!

October 2009

Today is the 11th, it is 30 degrees, I am cold to the bone, and we just finished weaning all but the last 100 head of calves. The fall calves are on feed, and the spring calves will be on grow rations until the end of December. We were a little later weaning this year (normally in September) due to weather and farming concerns, but the calves have done well on the good grass from all the rain we have had. There were quite a few calves pushing 800lbs.

June 2009

We shipped the last of the spring cattle on the evening of the 16th. As I suspected, our weights were down due to the ration changes we had to make. The grading is still very good, but in this market, (narrow choice-select spread), lbs are king. With the \$35 per head we receive for Naturewell, we figured we are still around \$30 or more behind projections. I hate to admit it, but here is one place where being a farmer-feeder has its disadvantages. We do not have time to look at the cattle and bunks all day long like a feedlot does; and have never had to before. Rumensin has a unique way it works. It was developed as a coccidiostat in chickens, and migrated to cattle for the same reason. However, a great advantage was it was found to change eating behavior. Cattle eat more often during the day, mini-meals you could say, instead of slug feeding 2 times a day when the feed truck comes by. This, along with the fact that it increases the ratio of propionic acid in the digestion process, helps with bloat issues.

One of the things that we are unique in is that we raise all our own feedstuffs. In order to do the natural programs with less bloat issues and less performance loss, it appears that utilizing byproducts like wet distillers grains is a real must. By wetting down the ration, it helps keep the increased roughage particles suspended, decreasing the sorting on the ration and making every bite more even. It also puts a different digestive ratio in the rumen. Yes, we could sell corn and buy WDG, but that brings storage and spoilage issues with it. Needless to say, we will go back to rumensin. In reality, I could make a case for rumensin to be a wonderful way to help increase the health and viability of cattle.

April 2009

The fall cattle have all shipped and we start shipping the first of the spring calves next week (22nd). We ultrasounded last month during spring break to take advantage of child labor (!!) and are shipping the first group identified. The choice select spread is horrible right now, in fact it went negative for a few days, but that is the economy telling us that restaurant trade is down. The market is up 3 dollars this week to

\$88, so we are grateful! The second group will go the 2nd week of May, then every 2-3 weeks after that until the middle of June! This is the first spring that we have been unable to use rumensin in the ration, as it was pulled from the Naturewell program. We have had bloat issues the last month, and have finally just gone to much more roughage in the ration than we would like. We will see how it affects performance and grading.

January 2009

The open heifers from several herds had been pooled together for feeding and shipped the first week of January. This is a great way to capitalize on what is usually a profit drain in any operation. You can narrow up your calving window, and still get 11-1200 per head on the open heifers, with only 70-80 days on feed. Works really well! The fall cattle of ours, Downey Ranch and a few customers will start shipping in February.

October 2008

Well, we survived the 'winter from hell' as it will be known. We had some very strange things happen this spring. When we ultrasounded in March, the cattle were way behind on gain, at least 100lbs. Which is no surprise considering the conditions they went through. However, the cattle were grading like a house on fire! Then when we shipped 60 days later, they had gained back to normal ship weights, which was a heck of a compensatory job. Needless to say, trying to figure this one out has bamboozled me and others I have spoken with. It almost appears that cattle marble better with some stressors in their life. Maybe mother nature's fury made the body say 'conserve fat', and they marbled more than normal. I have no idea, just typing out loud. We were over 95% choice this spring. Amazing. The new number for carcass are in the table below, updated with this springs cattle.

| #head | avg age | %prime | and | %choice and up | YG 1 | YG 2 | | live weight | wean | to | premium per head |
|-------|------------|--------|-----|-------------------|---------|---------|------|----------------|------|-----|---------------------|
| 4873 | 14mo | 8.9 | 23 | 81 | 3.5 | 41.6 | 51.1 | 1220 | 195 | 3.2 | 51.15 |

February 2008

My doesn't time fly! We survived the ice storm is December, the feedlot was out of electricity for 11 days! Thank goodness for generators. Since then it has been one storm after another, very hard on the cattle, but they appear to be weathering just fine. The fall calves will start shipping this month and we will ultrasound the spring calves and the registered bulls and heifers in March. The ultrasound for the spring calves on feed will aid in sorting them into one of 4 out groups from the end of April 'til the middle of June. We had our first commercial heifer calve today. (Feb 5), they are not due to start to the synchronized date until the 14th, but there are always a batch that start early. We are expecting 9 inches of snow tonight, so I guess we might have to check in the middle of the night. Kevin has had them on a strict nighttime feeding regime since they came home from stalks 3 weeks ago, so that helps keep the calves in the daytime. I will post the new carcass data as it comes in!

August 2007

USPB asked us to be the producer speakers for the inaugural KSU Value Added Conference held on the K-State campus August 9-10. The table below is the summary that was used for the 10 years that we have marketed through US Premium Beef. We are thrilled with the results, obviously, and have learned a lot in the process. When we started out selling cattle on the grid it was a steep learning curve. As one person put it, 'I am not saying we ever lost money feeding cattle, but we paid a lot of tuition!" Anytime you change your management strategy it usually comes

with a few life lessons! The actual premiums we received on this years cattle was \$92 per head, even with the bad round of sickness we had in November. Evidently it did not do terrible damage to the gains or the carcass quality. Dr. Hermesh from K-State (now Novartis) said it was because we were all over it early. But we still worried! We have changed our vaccination strategy a little this year. We partnered with our good neighbors, the Stilwells, on a Rawhide corral system. It is a portable corral that makes 2 pens with a working alley down the center. We are using this to prewean vaccinate the calves, since we have so many pastures and very few with pens. It is working great. This morning (8-20-07) we did 2 pastures, 85 calves, by 11:00 a.m. That includes setting up the pen, penning the cows, sorting the calves, vaccinating them, closing up the pen, moving to the next pasture 5 miles away, resetting up the pen, blah blah!! It really does work well!



Summary of all Cattle Sold Through US Premium Beef 1997 - 2007

| # head | Avg Age | % prime | % CAB & BCP | % choice & up | YG 1 | YG 2 | YG 3 | Live wt | DOF, wean to finish | ADG, wean to finish | premium per hd |
|--------|------------|---------|----------------|---------------------|------|------|------|------------|------------------------------|------------------------------|-------------------|
| 4502 | 14 mos | 9.3 | 21.2 | 80.4 | 3.3 | 43.2 | 50.3 | 1221 | 195 | 3.15 | \$50.56 |

June 2007

The evidence of the freeze damage is showing up in the wheat, as well as wiping out the first cutting of alfalfa. Thankfully, it did not seem to bother the feedlot cattle! What a great year! We were very happy with the performance of the cattle, both in weight gain and quality. One of the hardest things of measure is the growth curve of an animal. We are looking for those cattle that will "get there and quit". By that we mean a steep growth curve that flattens out at 13-15 months. Those that keep growing don't finish well in the time frame we shoot for. Last week I took the kids to the National Red Angus Roundup, a junior program, and

one of the stops was Leachman of Colorado. Lee Leachman had an interesting observation from looking at reams data they had collected. It appears that cattle with higher rib-eye area per hundredweight at scan time are the earlier maturers, infuencing mature size (as in smaller frame) and also increasing fertility. It is always enjoyable to view cattle from other areas of the country and hear their philosophy. We are just finishing wheat harvest and getting ready for weaning and working fall calves. They will get bawled out and put back on grass until they come into the lot in September!

May 2007

Don't ask me where the spring went, it just went! With me going to Africa and all the kids and cattle goings on, well.... Right before I left the country we decided with \$4 corn, we might utilize Dr. Brethour's technology and ultrasound the spring cattle into out groups. Normally I would put Kevin's eye against any machine for sorting, but again, 2 weeks extra on feed is \$30!! Billy Whitfield came and ultrasounded for us for 2 days and we really enjoyed him. He is a great musician and a great fellow to work with. We sorted into 4 out groups by projections of backfat and yield grade 4 potential. The cattle were tagged with a colored tag to mark their particular group. This also served as a lot tag for age and source and naturewell, 2 programs we participate in through USPB that garnish us another \$50 per head. When these cattle unload at the plant they like them to have an identifiable lot tag.

Right after the sale we had a round of some illness come through the cattle and I was afraid of what the grading would be because of it. They would respond well to treatment, but they still had to be treated. We were dreading the news for this spring's grading and premiums. At ultrasound time it appeared that we were going to have a grading fiasco, as Billy thought they were not going to do well. He also pegged them to go much sooner than we would ever normally send anything. We had to go with our gut on this one and did not send them according to the ultrasound projections. We were correct. I don't think we had given Billy enough data for the computer to project the potential for our

cattle. The projected out dates on the March 7th scan data showed we should start shipping in 2 weeks. We just could not agree that was the thing to do, and waited another month. So essentially we had an extra month on the out groups from what they were slated for. The gains were right on the money if you made the forward projections, but the grading was <u>WAY</u> better. The first groups had been pegged at only 50-55% choice and they were 85% choice. There were some \$100-150 dollar premiums!

January 2007

Well, the 2nd big snowstorm that buried western Kansas and eastern Colorado delayed shipment of the heifers by one week, but they went and we now have the data and the final numbers. Remember, these were open heifers that were put on feed rather than sold at preg check time (see diary listing below). They had right at 90 days on feed, which of course included the time for working up to the finish ration. The average feed cost per head with this high dollar corn is \$175.00. These heifers could have brought around \$8-\$900 had they been sold in September. So add the feed bill to that and you have a \$1075 break even. Sounds kind of steep, but...(of course there is a but!!)...they averaged \$1382 each! That is a \$300 profit!! We had narrowed calving down to 45 days on the heifers and utilized finishing to make up the difference on any increase in opens. These heifers were too old for the age and source premium, in fact, we even had a few falls in there that were 2 years old, but they still had excellent returns. It is a great way to make a profit center out of animals that everyone has!

December 2006

We are trying an additional marketing venue this year called "Naturewell". This is a program offered by US Premium Beef that fit well with our management program. It is not a 'never ever' natural program, but one that stipulates no implant or antibiotic treatment the last 120 days on feed with red angus and black angus genetics. There is

also a humane treatment guarantee on the label which of course agrees with our operating principles. For the documentation and audit we will receive an additional \$1.75 per hundredweight (live weight not carcass). Add this to the current \$25.00 per head age verification premium we receive and we are at \$50 per head before we glean any carcass premiums. This is part of the value of being involved with USPB and utilizing management strategies. If you are interested in participating, contact us and we will try to help you implement programs to improve your bottom line.

The first cattle to ship on this program will leave Dec 29 in the afternoon. This group is a compilation of Downey Ranches and our open heifers from the spring season and a few falls. This is a great way to market open heifers at a premium rather than just as feeders!

September 2006

Like most places, we had a miserable summer. Hot and extremely dry. We have weaned all the calves, roughly 60 days early to lighten the load on the pastures and try to take care of the grass. Early weaning is not too bad, it accomplishes many things, the main one for this year will be the expectation of higher grading. Research has shown that timing of feeding makes a huge impact on marbling deposition. We normally run 80-85% choice on our calf feds, but got derailed last year due to our own management change. This year should prove different. We will see!!

Even though we weaned early we were pleased with the weaning weights, a 566 average for steers and heifers at 180 days. If you would like more information on how we handle our rations and feedlot cattle, please email!

November 2006



This slide is from our presentation at the Beef Quality Summit in Oklahoma City sponsored by Beef Magazine. It has the updated carcass info with the addition of Downey Ranch's 2006 calves.

Carcass Data

These numbers represent the true picture of how we are paid for our efforts. We strive to raise the kind of bull that can produce these carcass numbers and profitability. Registered or commercial, the endpoint is BEEF! The table below is *a summary of* **3410** <u>head</u> (updated with the 2005 cattle) of home raised cattle, steers and heifers, finished in our feedlot. This is our calf crops from



1997-2004, except for replacement heifers.

| avg age | % prime | % choice | % cab & fab | YG 1 | YG2 | YG 3 |
|---------|---------|----------|-------------|------|------|------|
| 14 | 9.3 | 80.4 | 21.2 | 3.3 | 43.2 | 50.3 |

| avg live wt | avg days on feed | avg gain wean-to- | avg price per | |
|-------------|------------------|-------------------|---------------|--|
| | wean-to-finish | finish | head in 2004 | |
| 1197 | 195 | 3.15 | \$1163 | |

The final tally is done, 374 head for the spring of 2005 with the following results.

| avg age | % prime | % choice | % cab & fab | YG 1 | YG2 | YG 3 |
|---------|---------|----------|-------------|------|-----|------|
| 14 | 5.97 | 82 | 22.14 | 1.6 | 38 | 53 |

| avg live wt | avg days on feed | avg gain wean-to- | avg premium per | |
|-------------|------------------|-------------------|-----------------|--|
| | wean-to-finish | finish | head in 2005 | |
| 1269 | 189 | 3.2 | \$49.78 | |