

Beef Business



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A Premium Product

The move from Missouri to Iowa has come with many benefits, but avoiding writer's block is not one of them. As I stare at my screen, I am interrupted every few moments by a stubby legged officemate (our Corgi) carrying a stuffed toy duck, wanting someone to toss it down the hall. The only thing that makes Gus happier than fetch is a four-wheeler ride, so it's a good day in his world. While Gus is a good morale booster and supervisor in the home office, he's a lousy sounding board for article ideas. However, I think the fetch break was what I needed to get to this topic.

In July, the revamped ASA Genetic Improvement Committee held their first meeting. The topic of discussion centered around how the commercial bull buyer was spending their dollar on Shorthorn genetics. Breeders shared their experiences on what traits, characteristics, or requirements their customers focused on to pay a premium for a bull. While every breeder shared a slightly different story, there was a common thread of what the Shorthorn bull customer asked for. Phenotypic traits came up multiple times. Maternal phenotypes were brought up even more, with discriminating buyers asking about the dam and grandam's feet and legs, fleshing ability, and udder quality. As I listened, it became evident to me that the bull buyer is looking to the Shorthorn to produce cows for the herd. Other points of emphasis varied among breeders, from the need for genomic testing, pre weaning growth, carcass quality, or feed efficiency. Is the variation in other traits of emphasis between breeders a problem? If you ask me, it's far from a problem and more of an opportunity. Customers with slightly different asks of their bull supplier challenge the breeder to make Shorthorn cattle with some uniqueness to them. If every Shorthorn breeder raised cattle that were the same type both genetically and phenotypically, it is harder to have the

pieces in the gene pool to improve these cattle. Our preferences in pickup truck manufacturers are different, but we still use pickups because of what they offer as a farm vehicle. It's ok if the commercial bull buyer views Shorthorn bulls and pickup trucks similarly, as long as they keep buying both here in the United States.

I analyzed the results of bull sales in the breed for 2021. I wondered if there were trends across the population that could be identified as premium-generating pieces. I focused on EPDs and phenotype for this quick study, as all that data comes from the same source (either the weekly genetic evaluation or my personal evaluation of the bull). As far as genetic trends, bulls that excelled in calving ease traits commanded a significant premium. Across sales, calving ease bulls averaged from \$200-400 more than the sale average. Bulls that didn't qualify as calving ease sires averaged below the sale average on every auction. Trends were not as consistent for bulls based on their growth, maternal, or carcass genetic predictors, but each category brought a premium price in at least one sale. That's another sign that not every buyer wants the exact same Shorthorn product. It's no surprise that phenotypic quality generates more dollars on sale day. When I go to a bull sale, I score each animal on a 1 to 5 scale. Bulls scored a 1 are the kind that shouldn't be in the catalog as a bull (few in number), and 5's (breed elite prospects) are also pretty rare. Looking at the vast majority of bulls being "2's, 3's, and 4's", it's no surprise that 4 scored bulls bring more than 3's and 2's. In some cases, 4's (purebred herdsire quality) outsold the average sale price by \$1,500-1,800. The good quality commercial bulls (scored a 3) outpace their "just bull" counterparts (2's) by \$400-700. I realize I am not sharing anything that a good cattle breeder doesn't already understand. I do think it illustrates an interesting point about the notion of commercial buyers

not emphasizing phenotype isn't exactly reflected by where the money gets spent. There were bulls I graded as a "4" selling into commercial herds at every sale I attended. Regardless of your focus in the industry, good looking cattle help grow your sales receipts.

When visiting with some breeders prior to the committee meeting, I asked them what percentage of their bulls were selling to commercial producers. The responses I got varied from half to 90 percent, but all of them agreed that most of their bulls are leaving the registered Shorthorn population. The breed is in a prime spot if producers outside our association are the main buyer of our commercial product. The 2021 sale season was really strong for the Shorthorn breed, and it appears to be driven by commercial interest at a lot of firms.

While it's not realistic to expect Shorthorns to rival breeds with 8 to 10 to 20 times our registrations in terms of bulls in the marketplace, I am optimistic we can grow the reach and quality of our product. Have you taken the time to look at what information drives your customers to spend more on cattle at your place? Are you producing cattle that better fit what your buyer is willing to pay for? Take time to self-evaluate and reach out to someone on staff or a breeder you admire to learn how to work towards taking that next step. We want to help you move your market forward. A good place to start would be joining the next Genetic Improvement Committee discussion on Wednesday, September 8 at Noon Central. We will be continuing with the discussion that started in the July meeting. Shoot me an email (matt@shorthorn.org) if you would like to join us.

My short-legged office buddy has returned with his duck, so I suppose he's saying I've earned a break from writing. It's time to enjoy those little, yet so important, things in life. 🐾