



CATTLE PERFORMANCE ENHANCEMENT COMPANY

The Sortin' Stick

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WILL ELECTRONIC GRADING CHANGE THE WAY WE PRODUCE CATTLE?

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Speaking this last December at the 18th Range Beef Cow Symposium in Mitchell, Nebraska, Glen Dolezal told the crowd, there are a lot of opportunities in the beef industry today. Among those opportunities he identified were food safety, carcass weight and size, inconsistencies in quality, cutability and tenderness and country-of-origin labeling.

One way Excel is working to capitalize on opportunities is through its electronic grading system. Dolezal discussed how this technology could answer key industry questions. Such as, how to deliver better beef; how to coordinate the supply chain to make decisions that will benefit retailers, foodservice and consumers; and how to better manage product usage.

Excel uses the Canadian Vision System by Research Management Services (RMS), which has an office in Fort Collins, Colorado. This camera is operating in all six North American Excel fed beef plants. It evaluates beef carcasses daily for fat thickness, ribeye area (REA), percent marbling, lean color and fat color.

The company goal when it first implemented the vision cameras was to successfully scan 95% of the image captures. Today, Excel is capturing 97% accuracy.

Dolezal said the vision camera has provided benefits for its customers and has been an "excellent tool for supplier feedback, plan sorting and customer service." "We drive our business off of this camera," Dolezal said.





ELECTRONIC GRADING

Dolezal added that he can sit in his Wichita office and view the electronic file from the Nebraska plant and identify which carcasses should have graded Slight, Small or Moderate marbling; which were dark cutters; and which had poor fat color.

This vision grading system has allowed Excel to evaluate its U.S. Department of Agriculture (USDA) graders. Dolezal shared a chart documenting several graders based on the plant average and pointed out areas where a grader was under average in grading for such traits as ribeye and marbling. These would be areas of improvement, he pointed out.

The vision camera has allowed Excel to work with suppliers on premium brands. He expressed concern about a small REA (9 square inches or smaller) going into a premium brand such as CERTIFIED ANGUS BEEF (CAB) or Sterling Silver. He uses the cameras to kick out REA less than 10 sq. in.

Dolezal said that to make this information useful to others in the supply chain, there is a need for individual animal identification (ID). He said, “if you bring us steers without individual ID, then how do you know how to line up the information to maximize the benefit?”

Dolezal said information flow will happen. Current alliances will be first to have information feedback because they have been with the company longest. Eventually this will be payment-driven. Data exchange may take place to incorporate management decisions, genetics and such. Electronic transfer will take place, and there will be certain expectations, including confidentiality or a letter of understanding when sharing information.

Through the use of the vision camera, Dolezal outlined Excel’s attainable goals—balance production performance and carcass merit, to have a safe food product, to avoid outs such as dark cutters, to control carcass weights, to target for Yield Grade 3.4 or better, and to have moderate muscling and tenderness.



CATTLE FEEDING IN GENERAL

In the early 1960's and 1970's, most cattle feeding operations were custom. These large scale operations were built close to supplies of cattle and grain. Cattle producers and speculators stood in line to feed their cattle in these "hotel type" operations where large feeding companies had a captive audience and profited from the mark up on feed sales.

Today, the mix of feeding operations is more varied than the original model. The hundred percent custom operations were joined by large agribusiness companies who purchased feedyards and developed fully hedged feeding operations locking in profits on cattle and the feed.

As the price of replacement cattle advanced, the number of custom feeders diminished. The numbers spoke for themselves, sell them as feeders and let the feedyard take the risk. This resulted in large numbers of company owned cattle, just to keep the yards full to a breakeven capacity.

Now, the trend has even started to change again. Some of the new models for feeding involve more fully integrated operations with feeding companies moving into ranching operations or beef processors moving to feed more cattle. It is not uncommon for large 60,000 head feedyards to be 100% company owned cattle. It looks like most of the successful models for the future will adopt some variance of this concept.

Integration allows the beef production company to control the animal and the quality of the product throughout the production and processing pipeline and build a foundation for branded beef products for the retail trade. Numerous feeding companies are getting involved in genetic research to find that "one thing" that will guarantee the quality of the end product.

Because of the pressure to supply a safe, consistent product to the consumer. More changes will be necessary. Cattle will have to be traceable, fed to more specific end-points and outcomes will have to be more predictable.....resulting in more and more technological advances for the feeding companies. Technology will be forced to advance in the business of feeding cattle.

As we ponder the future of cattle feeding in general, how much effect will the appetite for fossil fuel have on our feeding operations? Will all those permits for new ethanol plants in the Mid-West cause more and more corn and soybeans to be consumed in that area? Just how much will that increase the base cost of our major feeding ingredient? It may be time to be pro-active about investing in the technology that will enhance your feeding efficiencies.....before it is too late!



ANNUAL CPEC MEETING

The annual meeting for CPEC technicians and friends is scheduled for September 28th and 29th in Hays, Kansas. The evening of the 28th is our annual steak cookout and get-together. John and Carol Brethour will again host the evening at their home in Hays from 6 PM until ?

The next day is the working part of the meeting with presentations by Gale Seibert, Seibert Carcass Data Service from Garden City, Kansas; Twig Marston, Associate Professor/Extension Specialist, Animal Breeding and Genetics from KSU at Manhattan and John Brethour, Research Meat Scientist, KSU Ag Research Center, Hays.

Gale's presentation will cover USDA Quality and Yield Grade Measurements in the packing plant and Twig will cover Selection Criteria for Replacement Cattle in the Breeding Herd. John Brethour will present his most recent results from several beef feeding research trials. To finish up the meeting, John will lead a discussion on basic sorting parameters for feedlot cattle and how best to setup the CPEC sorting system for optimum outdate results.

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