



What Is Driving Demand?

Beef quality and efficiency were the two themes driving the discussions at the 2013 Beef Improvement Federation (BIF) Research Symposium and Convention in Oklahoma City in June. Once again, the topic of straight breeding versus crossbreeding was debated amongst industry leaders and scientists as a means of addressing either packer profitability or cow-calf profitability.

Dave Daley, commercial cattleman and California State University-Chico associate dean and administrator for the university's farm, summed it up well.

"Your views on industry direction are highly dependent on the window by which you view the industry," Daley said. "Where I run cows in the Sierra Nevada range, with limited labor and short feed supplies, I must rely on crossbreeding to give our family operation an edge in tough rugged range conditions. The traits positively influenced by crossbreeding such as fertility and longevity, which is a function of a cow raising a calf every year over a sustained period of time, is what keeps us in business."

Tom Brink of JBS Five Rivers Cattle Feeding LLC stressed the increased,

rising demand for Choice-graded beef. Brink emphasized that JBS's profitability is predicated not only on producing a higher percent of Choice product but on moving the entire bell curve toward a higher percent of upper two-thirds Choice and Prime product.

Export growth, along with a growing consumer expectation for quality beef as beef prices have reached historic highs, is driving the demand for higher marbled product. Brink said that Select-graded beef is actually a money loser for the company. As the largest feeder in the world, Five Rivers Feeders has focused its procurement on cattle that management believes will deliver a higher percentage of high-quality carcasses.

These two messages churning out of the BIF conference are particularly important to Hereford breeders and the direction of the seedstock industry. Packer signals are strong and obviously affect the market for cattle that packers perceive to be of higher value and, more importantly, that produce beef that is easier to sell at a higher price. Therefore, packers will pay more for cattle that meet a targeted specification,

and, in this case, those are cattle that will grade a higher percentage of Prime and Choice carcasses.

The second message is this: with higher input costs including high grain, fuel, competition for forage resources, etc., cow-calf producers are thinking not only about how to lower those costs but also about how it will be critical that commercial cattlemen do whatever it takes to lower costs and make their end product worth more. Crossbreeding is a tool for addressing costs.

These two dynamic trends will continue to put economic pressure on the industry. These trends are also very critical topics of discussion as it relates to the Hereford breed's selection pressure and genetic trends in the future.

The Hereford breed and the American Hereford Association (AHA) have the tools to meet these two simultaneous demand drivers. Utilizing the most robust whole-herd database in the world, taking advantage of carcass quality measurements and breeding values, and enhancing the existing EPD (expected progeny

difference) system through DNA technology are excellent tools and will continue to ramp up the rate of improvement in the Hereford breed.

While at BIF, everyone from the AHA was very proud of Heather Bradford, a Kansas State University animal breeding graduate student and former National Junior Hereford Association member, for her report on the evaluation of Hereford udder score EPDs.

Heather analyzed more than 10 years of AHA Total Performance Records (TPR™) data, equating to more than 375,000 udder score records, which revealed fantastic improvement in the Hereford breed trend for udder quality. The AHA Board and, in particular, the breed improvement committee will be reviewing this research and discussing the future release of udder score EPDs. Great work, Heather! **HW**