



Hereford Heterosis Complements Branded Movement

An explosion of branding has taken place in the market, particularly the last couple of years. There seems to be a race in the retail sector to promote something or, sometimes, anything from natural to source verified, born local to breed specific such as Hereford and Angus, or guaranteed tender through processes other than genetics, or in the case of Wal-Mart, case-ready, water-added, get-it-as-cheap-as-you-can-make-it beef.

At times the branding innovations are mind-boggling; in fact, this year you may have seen a pet food company label its product with ingredients made from Angus beef, as if a dog would know the difference, or care.

Certified Hereford Beef (CHB) LLC had a tremendous summer as four new retail distributors and two new foodservice distributors were added to the list of licensed customers with combined sales projected to generate an additional 8-10 million lb. next year. With all the branding that's taking place, CHB LLC continues to hold its own, and growth of the program in a very crowded marketplace is still very imminent.

In all of this change and dynamic innovation, you as a Hereford breeder should feel pretty good about your product and where you fit in the industry. Bull and female sales remain extremely strong, and your product fits these dynamic changes that are coming upon us.

We are beginning to prove once again how important the Hereford breed is when it comes to feed efficiency and performance. The disposition of our cattle is beginning to be worth something

now. Commercial cattlemen are more widely recognizing, once again, what a Hereford can do in either a straight black or a *bos indicus*-based cow herd in the Southern states; and with all of the Angus hysteria in the food marketing sector, whether its steak house, retail, fast food or pet food, there is a place for Hereford genetics within that conglomerate of breed marketing that might someday sell a lot of Hereford bulls. National Beef Packing Co. LLC brand managers wrestle daily over who gets the black baldies and to which customers those carcasses will be destined.

The data are mounting for Hereford's efficiency, mothering ability and economic complementarity that commercial cattlemen will so desperately need as fuel, fertilizer and feed continue to squeeze profit margins.

Harris research report

This *Hereford World* issue is focused primarily on the progress being made with our Certified Hereford Beef® brand, but I would really like to draw your attention to research results reported by Dave Daley at our recent Hereford Young Guns Conference in Kansas City.

Daley reported results from phase one of the heterosis study conducted by the University of California, Chico, in conjunction with Lacey Land and Livestock and Harris Ranch Beef Co.

The American Hereford Association (AHA) Board of Directors responded to the Harris Ranch Beef Co. management team that was asking the question, "What breed or breeds could they use that would complement Angus

and positively affect the profitability of their vertically coordinated partnership for quality group."

Harris Ranch Beef Co. owns and operates the largest cattle feeding operation in California with a one-time capacity of more than 100,000 head. It also supplies cattle to its packing operation located near Fresno, Calif., and has worked hard in the last 10 years to develop a branded beef alliance that focuses on Angus genetics.

Harris Ranch has been very successful at pulling together more than 120 of the most innovative commercial cattlemen in the Western states, representing more than 40,000 cows. These cattlemen have utilized Angus bulls for the past seven to 10 years in an effort to improve quality grade.

Management and advisors of the Harris Ranch partnership for quality group recognized they had a high-quality product but they had been losing productivity at the cow-calf, stocker and feedlot levels.

When the AHA came to them to endorse the Hereford breed, the individuals from Harris Ranch were very interested but were skeptical whether or not they could generate additional profit and maintain the quality.

The AHA funded a project with The University of California Research Foundation, led by Daley, who is Chico State animal scientist and animal science department head. Hereford bulls were donated to the project and run in the same breeding pasture as Angus bulls of similar age on 400 cows in year one and expanded to 600 cows in year two.

John Lacey and his son, Mark, manage cows in a very harsh high

mountain environment, located on the east side of the Sierra Mountains near Mammoth, Calif. The first calf crop was weaned, DNA verified back to sire, backgrounded in a commercial growing facility and sent to Harris Ranch Feeding Co. in Coalinga, Calif., where the Hereford-sired steers were fed in a pen next to the Angus-sired steers and then slaughtered at Harris Ranch Beef Co.

Daley measured economic parameters through each phase of production. The first round of data was impressive. In a real world of a commercial situation as you will find, Hereford genetics complemented the Angus genetics, generating more than \$100 per head additional revenue as compared to the straight blacks. You'll find that the baldies did not grade as high as the straight blacks, but the advantage of feed efficiency, gain, morbidity, mortality and cost of gain is startling. The study will be repeated with the steers at least two more years, and the heifer mates will be tracked for at least two calf crops as well.

Similar studies are ongoing at Amana Farms in Iowa and at Circle A Angus Ranch in Missouri. The AHA will be communicating these "real world" results as data continue to come in.

Although the packing industry still promotes a black-hided calf to fit the bulk of the available branded programs, it will be very difficult to ignore the true economics the Hereford breed has to offer despite the fact you get an occasional red baldie when using Hereford bulls on black cows. As the CHB program grows, there could be a time when it doesn't matter to any of the packers whether the hide is black or red so long as it's a baldie. **HW**