



All in the Grade

Tips to help producers understand feeder cattle grading.

by Troy Smith

If you're in the business of marketing feeder cattle, you might follow the market by checking prices paid at local auction markets or by checking information received through some market reporting service. The U.S. Department of Agriculture (USDA) Agricultural Marketing Service (AMS) issues feeder cattle price summaries for various marketing regions. Monitoring the market through these price reports can help a producer get a feel for what his or her feeder cattle might be worth.

But the information is probably most useful to the producer who understands the terminology used

by market reporters. For example, let's say a report summarizing feeder cattle sales said "Medium and Large 1" steers weighing 500 to 600 lb. earned prices ranging from \$149.60 to \$155.12 per hundredweight (cwt), while "Medium and Large 1-2" steers of the same weight class fetched prices ranging from \$144.13 to \$160/cwt. Does the average producer understand that the value difference between those groups of steers was related to feeder cattle grade? Does the average producer know to which group his or her feeder calves might compare?

Producers probably understand if they trade a lot of feeder cattle,

says Corbitt Wall, who supervises USDA market reporting in Missouri. But Wall thinks plenty of producers — and particularly those not "in the market" frequently — may not really understand feeder cattle grading. Differences in grade account for differences in prices paid for cattle in the examples cited above. A lack of understanding is nothing to be ashamed of, but having a grasp of feeder cattle grading concepts can enhance feeder cattle marketing efforts. At the very least, a producer will understand the feeder cattle descriptions used in USDA market reports.

According to Wall, standards were established to describe various types of feeder cattle to create a common trade language between buyers and sellers. These standards are used to sort cattle at sales where cattle are officially graded and ownership commingled. They are used to officially describe cattle associated with contracts on the futures market. And, of course, the standards are used as a basis for federal-state livestock market reporting.

"Feeder cattle grades are based on differences in frame size and muscling. Those are the two most important factors affecting value. Basically, we're looking for the feeder calf's potential to produce a Choice-quality carcass when it reaches slaughter weight," explains Wall.

"We look at frame size, because it's related to the weight at which an animal ought to produce a carcass that will grade Choice. Large-framed animals typically require more time in the feedlot to reach a given carcass quality grade and will weigh heavier than small-framed animals would weigh at the same grade. We look at muscle thickness in a feeder calf as an indication of lean meat yield. Thicker muscled animals will have more lean meat."

Wall says feeder cattle grading standards recognize three frame size categories: L (large), M (medium) and S (small). Muscle thickness is scored numerically from 1 to 4 (see accompanying charts). Animals scoring No. 1 would be at least moderately thick and full in the forearm and gaskin, showing a rounded appearance through the back and loin areas, with moderate width between the legs, both front and rear.

No. 2 feeder cattle must display at least slight thickness of

USDA feeder-cattle grading standards for frame

Large frame

Typical minimum qualifications for this grade, are thrifty, have large frames, and are tall and long bodied for their age.

Expected weight to grade Choice

| | Steers | Heifers |
|------------------|----------------|----------------|
| L Large + | ↑ 1,250 lb. | ↑ 1,150 lb. |
| Large | | |
| Large - | | |

Medium frame

Typical minimum qualifications for this grade, are thrifty, have slightly large frames, and are slightly tall and slightly long bodied for their age.

Expected weight to grade Choice

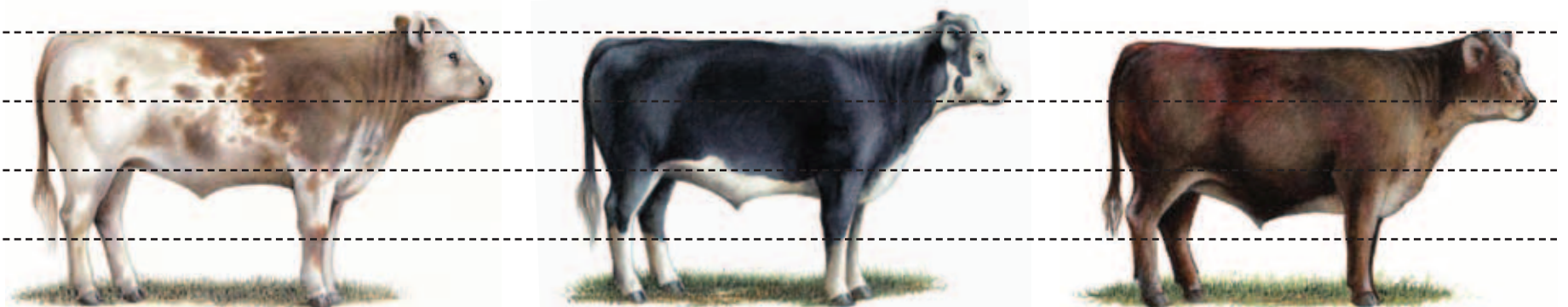
| | Steers | Heifers |
|-------------------|----------------|----------------|
| M Medium + | ↑ 1,100 lb. | ↑ 1,000 lb. |
| Medium | | |
| Medium - | | |

Small frame

Feeder cattle included in this grade are thrifty, have small frames, and are shorter bodied and not as tall as specified as the minimum for the medium frame grade.

Expected weight to grade Choice

| | Steers | Heifers |
|------------------|----------------|----------------|
| S Small + | ↓ 1,100 lb. | ↓ 1,000 lb. |
| Small | | |
| Small - | | |



Source: October 2000 USDA Agricultural Marketing Service publication *U.S. Standards for Grades of Feeder Cattle*.



No. 1
Moderately thick and full in the forearm and gaskin, showing a rounded appearance through the back and loin with moderate width between the legs, both front and rear.



No. 2
Slightly thick and full in the forearm and gaskin, showing a rounded appearance through the back and loin with slight width between the legs, both front and rear.



No. 3
Thrifty and thin through the forequarter and the middle part of the rounds. The forearm and gaskin are thin and the back and loin have a sunken appearance.



No. 4
Thrifty, with less thickness than the minimum requirements specified for the No. 3 grade.

Source: October 2000 USDA Agricultural Marketing Service publication *U.S. Standards for Grades of Feeder Cattle*.

muscling throughout and slight width between the legs. A No. 3 muscle score denotes thin muscling and close-set legs, as may be typical of animals with a significant amount of dairy breeding. Muscle score No. 4 would describe animals which have less thickness than the minimum requirements for No. 3.

This system creates 12 possible combinations for grading thrifty feeder cattle, using an appropriate frame size coupled with an appropriate muscle score. “Thrifty,” says Wall, is the term used to describe cattle that are healthy and should respond favorably to normal feeding and management practices.

A thirteenth grade, “Inferior,” exists for feeder cattle which are unthrifty due to injury, disease, parasitism or mismanagement. “Double-muscled” animals also are included in the Inferior grade. Despite the volume of muscle they produce, they are unable to produce carcasses with sufficient marbling to grade Choice.

“So, a large frame No. 1 (L1) feeder calf would be of large frame size – tall and long-bodied for its age – and the kind of steer we would expect to have a half-inch of fat over its twelfth rib and produce a Choice carcass when finishing at 1,250 lb. or more. No. 1 means the calf has at least moderately thick muscling throughout,” says Wall. “Nearly everyone thinks they raise No. 1s, but most people don’t. No. 2s are far more common.”

In practical application, muscle score 4 is almost never used. Wall says it would describe “the sorriest one you ever saw, just before it died.” Consequently, feeder cattle market summaries typically report prices for feeder cattle graded according to the three frame sizes and just three muscle scores.

In examples from a September, St. Joseph, Mo., report, both groups contained a mix of large and medium frame cattle, but the first group was well-muscled and demanded higher prices than the second group representing a mix of cattle with muscle scores of 1 and 2.

“Assuming the cattle are healthy,” says Wall, “grading feeder cattle is about frame size relative to age, and muscling. Muscling is pretty important.” **HW**