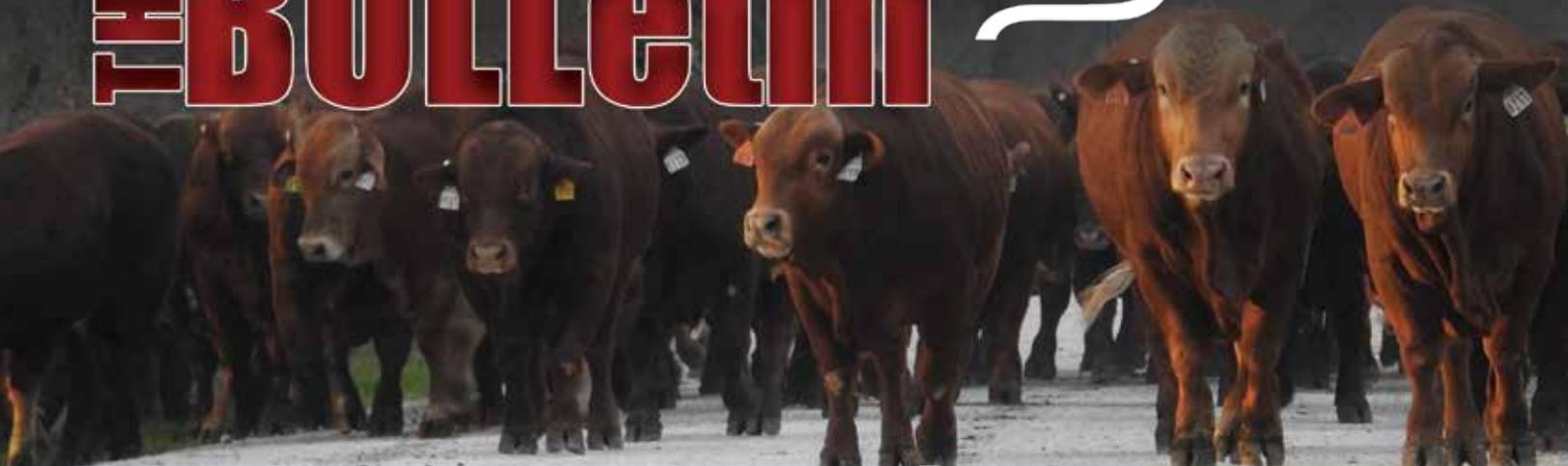


# Beef on Forage THE BULLETIN



Spring 2020



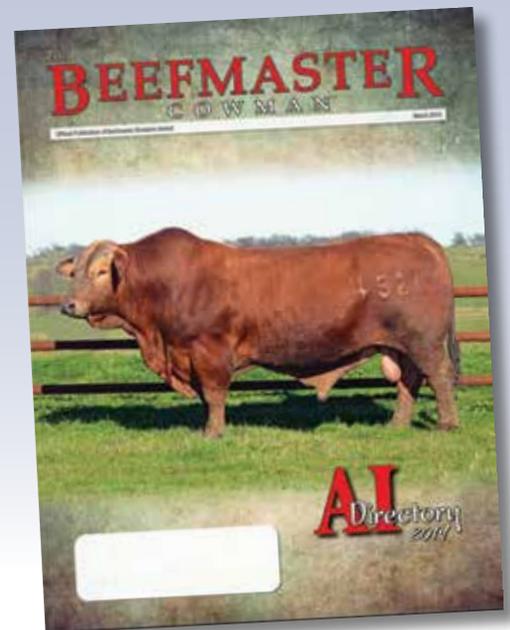
## BEEFMASTERS LARGEST BULL TEST & SALES

### BEEFMASTER PARTNERSHIP AT OSU

The Oklahoma State University Department of Food and Animal Science is initiating a new research beef cow herd at one of their ranches near Stillwater, Oklahoma. Joe B. Kreger, an OSU Animal Science alumnus and managing partner of Kreger Ranch, one of our Beef on Forage producers, began a dialogue with Dr. Clint Rusk, head of the department, a few years ago with the concept of including Beefmaster genetics in beef cow research at OSU. Kreger is currently serving as Chairman of the BBU Commercial Marketing Committee. In the fall of 2019, Joe Kreger, Collin Osbourn (BBU executive vice president) and Bob Siddons (president of BBU) toured this OSU ranch near Stillwater with Dr. Ryan Reuter, professor of Beef Range Nutrition. In that meeting, a general concept was developed to include Beefmaster genetics in Dr. Reuter's range nutrition research, which could lead to cutting edge grazing research involving Beefmaster genetics as well as many other levels of advanced beef production.

The research effort, led by Dr. Reuter, will focus on precision ranching for improved long-term sustainability of ranches in Oklahoma and the southern plains. The research will focus on grazing efficiency as well as behavior and stress management utilizing cutting edge technology such as automated supplementation equipment, on-animal sensors and virtual fencing. In addition to their use in the research program, this cow herd will be used to teach students about ranch and grazing management, precision technologies, and will be the subject of numerous tours and field days in the future. "We think Beefmaster genetics can be an important component to achieving long-term sustainability, and we look forward to the impact this research could have," Ryan Reuter, PhD.

Dr. Reuter and the department are currently seeking Beefmaster females and Beefmaster/Red Angus cross females to stock this 70 cow ranch for the research program. Joe Kreger and Bruce Robbins are leading efforts to assist BBU and OSU in sourcing this cow herd. The OSU department of Animal and Food Science hopes that both alumni and Beefmaster stakeholders will be excited about contributing cattle for this program. Please contact the BBU staff, Robbins or Kreger if you have questions about making donations of cattle or getting involved.



**BEEF ON FORAGE bull featured on cover of the 2019**

**Beefmaster Cowman AI Edition: Come buy the breed's next cover bull on March 21st!**

## Hello 2020!

We had a fantastic time at the NCBA convention in San Antonio. It was great to see all our old friends and make some new ones along the way. It is quite impressive to see that many progressive cattlemen from around the country gathering in one location.

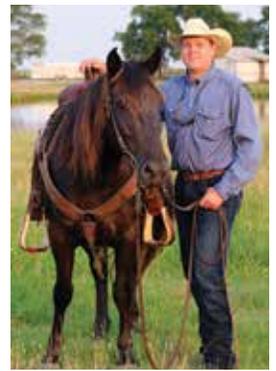
I would like to cordially invite you to join us **March 21st in McAlester, Oklahoma** for our Spring Texoma Bull and Female Sale. The 2020 Sale will feature 100 bulls and 65 Registered Females.

As always, the bulls have undergone our GrowSafe Feed Efficiency Trial and then turned out in big pastures to help acclimate to a real-world environment. We will be supplying you with Current Weights, Scrotal Measurements, EPD's, Scan Data, Gain Data and GrowSafe Efficiency data. Each bull will also sell with our unique Fleshing Ability Scores. This will enable you to pick the right bulls to fit your environment. We will once again offer free hauling to various areas to help make your bull buying decision easy. **Our quality and volume of bulls will fit any program and budget!**

Please join us Friday night before the sale for dinner at the sale facility. If I can be of any assistance, please do not hesitate to call or text.

*Derek Frenzel*  
(254)541-4643

**Join our mail list!** Visit our website at [www.BEEFMASTERBULLSALE.com](http://www.BEEFMASTERBULLSALE.com)  
or like our Facebook page at Beefmaster Bull Sale



## CATTLEFAX SEES POSITIVE CATTLE OUTLOOK FOR 2020

Posted by: Colter Brown

Beef demand is strong and with U.S. cattle numbers plateauing, prices are likely to be stronger in the year ahead as consumers at home and abroad support industry profitability. That was the message delivered today during the popular CattleFax outlook session, held as part of the 2020 Cattle Industry Convention in San Antonio, Texas.

Weather is expected to play a supporting role for agriculture during the year ahead, according to Dr. Art Douglas, professor emeritus at Creighton University. He said that following repeated El Niño events during the past five years, the U.S. will shift to a La Niña pattern, which will shift much of the nation outside of the northwest and southeastern portions of the country toward conditions slightly warmer and drier than last year, which will be favorable for planting and growing conditions during the spring and summer.

CattleFax Vice President of Research and Risk Management Services Mike Murphy predicted that corn and soybean acres will increase during the year ahead, with corn plantings rising 4 million acres to 94 million acres and soybean acreage rising 7 million acres to reach 83 million acres. He predicted 2020 spot corn prices to trade in a range of \$3.50 to \$4.00 per bushel, down 15-20 cents per bushel from 2019, unless weather issues become a significant factor. He noted, however, that trade could present an upside to the projected prices, particularly in light of the recently signed U.S./China trade agreement.

Trade also will play a significant role in beef and cattle markets, according to CattleFax Vice President of Industry Relations and Analysis Kevin Good, who said he expects higher total animal protein production to be offset by strong demand and increasing exports. During the year ahead, Good said record-large U.S. beef production will reach 27.7 billion pounds.

However, he projected that increases in beef exports and decreases in beef imports will result in per-capita beef supplies of 58.4 pounds, an increase of just 0.4 pounds over 2019 levels.

"With strong demand for U.S. beef at home and rising demand overseas, the modest increases in supply will be more than offset by a growing consumer appetite for our product," said Good, who projected all-fresh retail prices will rise to reach an average of \$5.87 per pound during the year ahead, an increase of 5 cents per pound over 2019. "Higher wholesale beef values are a reflection of improving domestic and global beef demand," Good noted, pointing out that CattleFax projects composite cutout prices will rise \$3 during the year ahead to reach \$222 per hundredweight.

Growing demand and increasing beef prices at the consumer level will be supportive of cattle prices, with leverage beginning to shift away from the packing sector as more shackle space becomes available during the year ahead. Good said CattleFax projects fed steer prices to average \$120 per hundredweight during 2020, an increase of \$3 from the previous year. Through the year, he noted downside risk to the \$108 level, with resistance at the

2020 Forecast		
	Annual Avg.	Range
Fed Cattle:	\$120/cwt.	(\$106-\$130)
750- Feeder Steer:	\$150/cwt.	(\$140-\$160)
550-Steer Calf:	\$170/cwt.	(\$155-\$180)
Utility Cow:	\$65/cwt.	(\$55-\$72)
Bred Cows:	\$1500/hd	(\$1200-\$1800)

top near the \$130 level. Calf prices are also expected to move higher in the year ahead, with 550-lb. steer prices trading in a range of \$155 to \$180, averaging \$170, up \$6 per hundredweight from 2019 levels. Feeder prices will also rise, with 750-lb. steers trading from \$140 to \$160, with a yearly average of \$150, also \$6 per hundredweight higher than last year's average.

Good noted that additional supplies of utility cows, the product of several years of aggressive expansion, are likely to challenge the cull cow market. "However, increased demand for lean trim and a decline in the availability of imported grass-fed trim from Australia and New Zealand

CONTINUED ON PAGE 4

## Noble Foundation Update

BBU has been informed that the Noble Foundation will be using Beefmaster Bulls in their AI program this year. This will be a great opportunity for not only our Breed, but for cowmen to see the positive results our Beefmaster bulls can have on the black cowherds across the United States. Contact us today if you are interested in purchasing bulls to enroll in the Integrity Beef Program.



# DO BULL BUYERS PAY FOR FEED EFFICIENCY?

Bull buyers will pay for feed efficiency, according to John Paterson, Montana State University (MSU) Extension beef specialist. And, when packaged with other economically important traits, commercial cow-calf producers are willing to invest in bulls that will help them move their ranch forward.

Bull buyers will pay for feed efficiency, according to John Paterson, Montana State University (MSU) Extension beef specialist. And, when packaged with other economically important traits, commercial cow-calf producers are willing to invest in bulls that will help them move their ranch forward.

Feed efficiency is important, Paterson says, because 70% of cash outlay goes for feed. He related a study that looked at several hundred calves from birth to slaughter. The calves that were the most efficient, expressed as a feed:gain ratio, made the most money. "The fastest-gaining ones were second, the leanest were third, the fattest cattle were fourth and the ones with the biggest appetite lost us the most money," he says.

Given the reality of high feed prices, Pater-

son says the search is on for cattle that have low feed intake but good productivity. And, cowmen who buy bulls at the Midland Bull Test sale in Columbus, MT, have added feed efficiency into the factors they consider when buying bulls.

Paterson looked at sale data for the past several years and found the No. 1 trait that bull buyers honed in on in the 2008 and 2009 sales was birth to yearling gain EPD. Birthweight EPD was second, age of bull ranked third, residual feed intake (RFI) ranked fourth, and ribeye area was fifth. So, while RFI was important, there was a definite ranking of preference in the traits that bull buyers emphasized.

"Then we got the 2010 data and something different happened," Paterson says. In 2010, all the traits ranked No. 1, meaning that instead of ranking bulls by trait, bull buyers began to look for balanced bulls with good birthweight and gain EPDs as well as negative RFI numbers.

But adding RFI to the mix is important, Paterson says. Using statistical models, MSU researchers determined that each unit change in RFI for bulls sold in 2008 was worth \$80. In 2009, it moved to \$140. By 2010, bull buyers had jumped to paying \$400 for each unit change in RFI. That means, Paterson says, a bull progressing from 0 RFI to a -1 was worth an additional \$400. Comparing a bull that was 0 for

RFI with a bull that was a -4 netted an additional \$1,600.

But how do progeny from low-RFI bulls perform? Using a GrowSafe™ system, MSU researchers looked at 120 Angus-Simmental crossbred heifer calves, which had an average intake of 26.5 lbs./day during the last trimester of pregnancy.

But it's important to note that averages can be misleading. The low-RFI heifers ate 10 lbs. less/day than the highest-RFI heifers, but there was no effect on gain. Bodyweight at calving was statistically the same and there was no effect on calf birthweight or on weaning weight. During the next breeding season, there was no statistical difference between the low RFI heifers and the high RFI heifers in pregnancy rates. "The only difference we could see was a difference in intake," Paterson says.

Which means that selecting for RFI has advantages. Paterson says if you can reduce forage intake in your cowherd by just 2 lbs./day, you can save 730 lbs. of feed/cow/year. "If we've got a 250-cow outfit, that's 90 tons less forage a year," he says.

Looking at another way, it means a rancher could run an additional 16 cows on the same forage base.



**Beefmaster  
bull featured  
on GrowSafe  
banner at  
NCBA**

*More Bulls. More Data.  
More Choices.*

**They keep coming back! Come see why  
our customers keep coming back  
year after year.**

## ABOUT THE TEST

Following our GrowSafe trial all bulls are turned out into BIG and ROUGH traps to help acclimate to the real world. These bulls are coming off the "Mountain Pasture".

**REQUEST YOUR CATALOG TODAY. GO ONLINE AT [WWW.BEEFMASTERBULLSALE.COM](http://WWW.BEEFMASTERBULLSALE.COM)  
OR CALL 254-541-4643 ALSO LOOK US UP ON FACE BOOK AT BEEFMASTER BULL SALE**





PO BOX 2023 | Temple, TX 76503

*Join us at these events:*

**3.21.20 Oklahoma Bull & Female Sale  
McAlester, OK**

**9.25.20 Bull Sale - Arcadia, FL**

**10.17.20 Bull Sale - Brenham, TX**

**11.6.20 Commercial Female Sale  
McAlester, OK**

## *The Maternal Solution*

[WWW.BEEFMASTERBULLSALE.COM](http://WWW.BEEFMASTERBULLSALE.COM)



**Visit us at Beefmaster Bull Sale**

**CONTINUED FROM PAGE 2**

will be supportive of cow prices," he said. He projected utility cow prices should range from the low \$70 level to a fall low near \$55, while averaging near \$65 per hundredweight for the year, an increase of \$5 per hundredweight over 2019 levels.

CattleFax CEO Randy Blach closed the session highlighting the strong demand that is highly favorable to the entire industry. He noted that there is significant outside interest in U.S. protein production, which is also highly supportive and a positive sign for the future.

"The days of boom and bust in our industry are behind us," said Blach. "Thanks to strong demand at home and abroad, we're likely to see far less volatility in the market during 2020 than we saw last year."

Blach noted that global demand for all pro-

teins is strong, with beef being a major beneficiary of that demand.

"Rising demand has meant more dollars flowing into the industry, which adds to the profitability of all segments of our business," said Blach, who noted that although the leverage has been largely held by the packing sector, that too would begin to shift during the year ahead, with more dollars flowing back into the live cattle segments.

"That investment should begin to incentivize increases in shackle space during the years ahead," Blach said. "In turn, as supplies begin to flatten out, packing margins have likely peaked and we'll begin to see margins at the packing sector begin to narrow as we move through 2020."

However, Blach pointed out that although

the market outlook is positive during the year ahead, the U.S. beef industry needs to be vigilant and maintain a competitive posture.

"There is strong demand for our product, but that's the result of the fact that our business has paid attention to market signals and we've been producing a consistent, quality product that has gained a greater piece of that retail dollar. We need to protect that," said Blach. "Cattle must continue to be better over time. We must pay attention to what the consumer is telling us. That means conversations about topics like traceability and sustainability only become more important as time goes on. We have to listen to the consumer and respond with action to meet their needs and demands if we're going to continue to be successful in a hyper-competitive global protein market."

### *Absentee Bidding Available*

**Call Derek to discuss your bull and female needs.**

**254.541.4643**



This sale will be broadcast live on the internet.

**DVAuction**  
Broadcasting Real-Time Auctions

Real time bidding & proxy bidding available.

### *Spring 2020 Female Sale*

**Offering 65 outstanding Registered Open and Bred heifers on March 21, 2020 following the BULL SALE.**

