

Schiefelbein Farms

TIM SCHIEFELBEIN

FEEDING QUALITY

MARKETING & CATTLE MANAGEMENT
IN THE CURRENT CARCASS PRICING
ENVIRONMENT









CAB & Value Based Marketing—The Perfect Marriage





• CAB Started in 1978

Value Based Grids Began in 1995

History of Grid Marketing

- Gelbvieh Alliance
- USPB
- Cargill
- Tyson
- Upper Iowa



Then Abraham ran to the herd and selected a choice, tender steer for his guests

Genesis Chapter 18 verse 7



Results of the Marriage of CAB and Grids

- Beef Quality Improvement
- More Choice 50% 80% (while Choice/Select spread increased)
- More CAB
- Texas 8% Prime last week
- More Demand for Beef



Fruits of the CAB Grid Marriage

Alliances

Data Collection

Genomics

Buy Back Programs



Schiefelbein Farms Can Feed 7,000 head We market and additional 25,000 head to other feedlots

I have to Know the Value in these cattle!







What Class of Cattle to Feed?

They are all Going to be too High What can your facilities handle? Yearlings, Backgrounded, Heavy Calves?



Questions on Feeder cattle (after weight and price)

How big will they get? (Cost of Gain \$1.00 sale Price\$2.30)

Condition?

Gain?

What % Black/Breed make-up?

How will they grade? (maybe)



| Trait | Group A | Group B | Difference |
|----------------|----------|----------|------------|
| Weight | 1492 | 1400 | \$ 92.00 |
| % Prime | 44% | 10% | \$ 76.50 |
| %CAB | 52% | 30% | \$ 11.88 |
| % Choice | 100% | 85% | \$ 27.00 |
| %Heavies | 0% | 0% | \$ - |
| % Fats | 69% | 35% | \$ (30.60) |
| ADG Efficiency | 0.10 | 0.00 | \$ 40.00 |
| Sum | \$ 3,500 | \$ 3,283 | \$ 216.78 |
| | | | |
| | | | |
| Calf Value | \$ 0.36 | | |

| Trait | Group A | Group B | Difference |
|----------------|----------|----------|-------------|
| Weight | 1492 | 1650 | \$ (158.00) |
| % Prime | 44% | 50% | \$ (13.50) |
| %CAB | 52% | 25% | \$ 14.58 |
| % Choice | 100% | 100% | \$ - |
| %Heavies | 0% | 40% | \$ 72.00 |
| % Fats | 69% | 100% | \$ 27.90 |
| ADG Efficiency | 0.15 | 0.00 | \$ 60.00 |
| Sum | \$ 3,500 | \$ 3,497 | \$ 2.98 |
| | | | |
| | | | |
| Calf Value | \$ 0.00 | | |

| Trait | Group A | Group B | Difference |
|----------------|----------|----------|------------|
| Weight | 1475 | 1375 | \$ 100.00 |
| % Prime | 25% | 5% | \$ 45.00 |
| %CAB | 60% | 35% | \$ 13.50 |
| % Choice | 95% | 85% | \$ 18.00 |
| %Heavies | 0% | 0% | \$ - |
| % Fats | 30% | 40% | \$ 9.00 |
| ADG Efficiency | 0.15 | 0.00 | \$ 60.00 |
| Sum | \$ 3,500 | \$ 3,255 | \$ 245.50 |
| | | | |
| | | | |
| Calf Value | \$ 0.40 | | |

Summary of Feeding

- Know what you are capable of feeding (volume and kind)
- Know what you are getting into on each set of cattle
- Have a marketing program in mind when they are on feed
- If they are hedged, take basis into account.



