Yield Grade Can be Confusing in Calculating Value

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The world of carcass value is a bit elusive, even for the most keen data tracker. The total value is reflective of the summation of all the various parts of the carcass.

Each carcass part and current demand, local, regional, national or worldwide, can add various amounts of value. According to the U.S. Standards for Grades of Carcass Beef (USGCB), effective Jan. 31, 1997, carcasses are graded based on two general categories: yield grade and quality grade.

Yield grade and how it affected the value of the six lots of calves the Dickinson Research Extension Center had on feed last year is this week's discussion. Yield grade is the "indicated yield of closely trimmed (1/2-inch fat or less), boneless retail cuts expected to be derived from the major wholesale cuts (round, sirloin, short loin, rib and square-cut chuck) of a carcass." The quality grade, although not discussed here, is meant to be an indicator of the "palatability of the lean" red meat.

Yield grade "is determined by considering four characteristics: the amount of external fat; the amount of kidney, pelvic and heart fat; the area of the ribeye muscle; and the carcass weight." In field terms a Yield Grade 1 carcass has very little evidence of fat deposits, with muscles quite evident when hanging on the rail. The Yield Grade 2 carcass has evidence of fat covering, but the muscle is still evident throughout the round, shoulders and neck. Essentially, the Yield Grade 1 and Yield Grade 2 cattle are lean.

Yield Grade 3 has more evidence of fat over the carcass, with lean only visible on the lower round and neck region. Yield Grade 4 and 5 carcasses generally are covered totally with fat, with the Yield Grade 5 simply showing evidence of more fat.

The USGCB standards reveal the greater the yield grade, the greater the fat covering on the carcass. In terms of value, the lower yield grade means more dollars.

Another point that often is forgotten in the discussion of yield grade is muscle. Only two of the four variables measured are based on fat alone. Carcass size is a function of muscle, as well as fat, and the last trait is muscle, the size of the ribeye. Cattle should be lean, but they need muscle as well to break into the premiums offered for Yield Grade 1 and 2 carcasses. Keeping all that in mind, evaluating carcass merit and value strictly on yield grade does not work.

In reviewing the center's cattle, a quick view would indicate the lots with the greater yield grades brought more money. For instance, all of the lots had more Yield Grade 3s than average and four of the lots had more Yield Grade 4s than average. In fact, the lot with the greatest net return to the ranch was lot 4425, a lot that had 55 percent Yield Grade 3s and 13.6 percent Yield Grade 4s. The lot returned $925 per head to the ranch.

If you are confused, remember most producers do get that way if they stare at data sheets too long. The lot that was second in return back to the ranch on a per-head basis was lot 4557, a lot simply opposite of lot 4425. Lot 4557 was average for percentage of Yield Grade 1 steers (8 percent) and above average for percentage of Yield Grade 2 steers (48 percent). The lot returned $883 per head to the ranch.

The take-home message is that the total package needs to be evaluated. Making sense of the data takes more than one look and certainly more than one trait.

May you find all your NAIS-approved ear tags.

Your comments are always welcome at *www.BeefTalk.com*. For more information, contact the North Dakota Beef Cattle Improvement Association, 1133 State Avenue, Dickinson, ND 58601 or go to *www.CHAPS2000.com* on the Internet. In correspondence about this column, refer to BT0278.

Feedlot Performance of Steer Calves Born in 2004

Dickinson Research Extension Center

Lot	Percent No Rolls	% Yield Grade 1	% Yield Grade 2	% Yield Grade 3	% Yield Grade 4	Net Return to the Ranch
4359	17.9 +	00.0 -	39.0 -	43.0 +	00.0 -	$724 -
4424	04.3 +	00.0 -	39.0 -	52.0 +	04.4 +	$803 +
4425	00.0 -	00.0 -	32.0 -	55.0 +	13.6 +	$925 +
4528	00.0 -	01.0 -	41.0 -	50.0 +	07.4 +	$857 +
4557	01.6 -	08.0 •	48.0 +	41.0 +	01.6 -	$883 +
4562	00.0 -	04.0 -	30.0 -	56.0 +	11.1 +	$815 +

+ indicates above average, • indicates average and - indicates below average