

BeefTalk 473: Age and Source Verification

Age and source verification for meat and source verification for many more food products are management processes that seem to please consumers.

By Kris Ringwall, Beef Specialist
NDSU Extension Service

In nature, fall brings a shift in focus. It is time to accumulate, evaluate and tabulate. For beef producers, gathering and marketing animals are front and center because the store is closing for the year, so come back next summer.

This is the time of year when life gets a little tougher. For many, the grocery stores remain stocked, which is the consumers' only view of food production.

In past generations, grandma stocked the root cellar, canned the summer's produce and added a few pullets to the hen house. Grandpa harvested the grain and started the calves, pigs or lambs on feed for winter meat.

Through the years, farms have increased in size and productivity, ultimately supplying our city cousins with a near endless supply of food. At the same time, people simply have forgotten where food comes from.

In the last decade, there has been a movement to reconnect the art of food production from the producer to the consumer. While the reasons may vary, this new dimension of agriculture is growing.

Age and source verification for meat and source verification for many more food products are management processes that seem to please consumers. While the connection back to the actual producer may be marginal, the knowledge about the food we eat brings some contentment to human well-being.

For beef producers, age- and source-verified cattle are earning premiums of \$25 to \$35 per carcass. The premiums vary depending on the program, but cash is being offered for ranch- or feedlot-verified cattle through to the packer.

Chip Poland, Dickinson Research Extension Center livestock specialist, and I start two days of each week teaching the cow-calf management class at Dickinson State University. The attitude of the 15 potential beef producers is reflective of the industry.

The struggle with the concept of premiums from age and source verification is real. The skepticism is not easily overcome because new programs require work and working cattle is never easy.

While additional money may be offered to the industry, there are many in the industry with their hands out. The cow-calf producer often is last in line.

The so-called premiums, if one wishes to call them that, seem to be thinner for those at the end of the line versus those at the beginning of the line. However, there is opportunity. With opportunity, the challenge of capturing more market share is real.

Unfortunately, business as usual must be set aside. For these 15 students and, we hope, other producers as well, a willingness to make the connection from producer to consumer needs to be approached. The process can be complicated or relatively simple.

The amount of the premium is dependent on the current demand that feedlots have to buy age- and source-verified cattle and the availability of properly age- and source-verified calves. Most markets will indicate a positive relationship between age- and source-verified calves and value, depending on the underlying worth of each producer's calves.

Calves doing poorly still are calves doing poorly, with or without age verification. Good calves always find their way to the top.

The only real way to grab the full premium is for the producer to retain ownership of the calves all the way to the packer. In that case, the packer will hand you the premium and all skepticism should end.

However, that means increased market risk. For many, \$35 is not worth the retained ownership. However, for today, feedyards are looking, so why not age and source verify your calves and work diligently with your local sale barn to make sure all buyers are well aware of the quality of your calves and their eligibility for additional foreign markets?

It never hurts to brag a little while you sell your calves.

May you find all your ear tags.

Your comments are always welcome at <http://www.BeefTalk.com>.

For more information, contact the NDBCIA Office, 1041 State Ave., Dickinson, ND 58601, or go to <http://www.CHAPS2000.com> on the Internet.

PREMIUMS!

\$25 to \$35
per head on the rail

Read the Small Print!
Premiums are for age and source verification.