

2007 Cattle Industry Annual Convention & Trade Show

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Age- and Source-Verification Research

Company-sponsored study reveals producer perceptions and opportunities for marketing age- and source-verified cattle.

by **Troy Smith**

NASHVILLE, TENN. (Feb. 1, 2007) — Schering-Plough Animal Health Corp., parent company of Tri-Merit identification (ID) and data management systems, hosted a press conference Feb. 1 at the 2007 Cattle Industry Annual Convention and NCBA Trade Show to discuss results of research addressing producer perceptions and opportunities for marketing age- and source-verified cattle. Eighty-six auction markets, from across the U.S., participated in the study co-sponsored by the Livestock Marketing Association (LMA).

The participating markets represented annual sales of nearly two million cattle aged 20 months or younger. Fifty-five percent of the auction markets sell cattle enrolled in age- and source-verification and/or certified health programs. However, 65% of market operators said they expect to see an increase in the number of cattle enrolled in such programs in the future.

More buyers are requesting “program cattle” for the assurance that cattle have been well-managed.

They cited increased sale prices as the chief benefit, followed by the potential for attracting new buyers seeking cattle backed by specialized information. Sale barns currently handling cattle with age- and source-verification, plus health certification, reported premiums averaging \$5.37 per hundredweight (cwt.).

According to Scott Sandal, Stockman’s Livestock Market, Yankton, S.D., more buyers are requesting “program cattle” for the assurance that cattle have been well-managed. About one-third of cattle consigned to Stockman Livestock’s weekly

sales are enrolled in process-verified programs.

“During our fall run, we saw premiums of \$2 to \$5 paid for weaned calves that were age- and source-verified. That’s on top of premiums paid for desired genetics and health histories,” Sandal said.

Also present was Boonville, Mo., producer Steve Huth, who currently uses the Tri-Merit system to create age, source and health documentation that follows his calves from the ranch to market as finished animals.

“It has opened doors to buyers supplying beef to export markets. We’ve seen total premiums grow to as much as \$28,” Huth said. “Ranchers need to consider all the tools available for adding value to their cattle.”

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