

Claim Your Competitive Edge

with **ANGUSLINK**SM
VALUE ADDED PROGRAMS



THE FUTURE FOR GRID PREMIUMS ADVANCES

USPB and National Beef announce groundbreaking premium for genetic merit with the American Angus Association and IMI Global.

Throughout the history of U.S. Premium Beef, LLC (USPB), those who deliver finished cattle through the company have consistently responded to new ideas and strategies. Once again, an opportunity has been identified, thoroughly researched, and is now being pursued with the American Angus Association® (AAA) to reward cattle based on genetic merit. Using the AAA's AngusLinkSM Genetic Merit ScorecardSM (GMS), cattle marketed on the USPB grid can

earn additional value based on their GMS score – creating the industry's first premium for genetic merit.

Troy Marshall, Director of Commercial Industry Relations for the American Angus Association, says this is an effort to put more dollars in the pockets of commercial producers who invest in superior genetics.

“While the value of genetics has never been higher than it is today, we just didn't have an objective, reliable

way of describing the genetic merit in a pen of feeder cattle,” he says.

USPB Vice President of Field Operations Brian Bertelsen says while premiums for *Certified Angus Beef*® (CAB®) and Prime are still readily available, the existing premium structure will not necessarily change the cattle coming in. “This is an opportunity to put an extra bonus on cattle that are designed to succeed

continued on page 2

continued from page 1

on the grid specifically for that genetic merit,” he says. “It’s exciting to have a partnership with the first packer to offer a grid premium for this kind of program.”

What started as Angus Source more than 10 years ago has since evolved into the GMS. It is one of two programs offered by AngusLink, the other being Angus Verified.

Here’s how it works:

A group of cattle receives three GMS scores:

1. **Feedlot score** – Measures how cattle perform in the feedyard from an economic standpoint. It includes traits such as post-weaning gain, dry matter intake and average daily gain.
2. **Grid score** – Describes how cattle perform on the rail. It is primarily driven by carcass weight, marbling and rib eye area and, to a lesser extent, fat thickness.
3. **Beef score** - An overall composite score accounting for genetic merit from a feed yard performance and carcass quality standpoint.

As a result of the three scores, a group achieves a cumulative score ranging from zero to 200, with 100 representing the industry average for that year. Each year, the scorecard is readjusted to reflect industry improvements and economics such as feed prices and cattle market values. Scores above 100 will always indicate a herd is above industry average.

Once a score has been established, that number does not change like it can with expected progeny differences (EPDs). However, economic parameters that feed into the score including feeder cattle value, Choice-Select spread, corn prices, etc., are updated annually, as well as the industry average.

“It is a really good benchmarking tool from that standpoint,” Marshall says.

The program is growing quickly. Last year, more than 200,000 head received scorecards – almost a 400% jump from 56,000 three years ago. This year is promising more of the same. Marshall attributes the growth to available premiums, reporting that enrolled cattle received about \$18 million in premiums as feeder prices during 2023.

Buyer pull-through is another contributor, with feedyards finding value in having more confidence in the genetics they source. While this program is not intended to be consumer-facing, wholesaler and retailer response has been positive because of their appreciation for quality.

Payouts for the GMS grid began Aug. 5, 2024. Groups scoring higher than 100 receive \$5 per head, plus an additional dollar for the electronic identification (EID) ear tag - \$6 per head total. Starting Dec. 2, groups that achieve 150 or higher will garner \$10 per head – or \$11 total including the EID tag.

An increase in animals receiving a score will not result in decreased premiums. “The scorecard is kind of unique because the more people we have enrolled in the program — the

Troy Marshall



Troy Marshall currently serves as the Director of Commercial Industry Relations for the American Angus Association®, where he commits his daily efforts to creating opportunities for commercial cattle producers.

Prior to his career with the Association, Troy has served the American Maine-Anjou Association, North American Limousin Foundation, and CattleFax as a market analyst. Marshall has a bachelor’s degree in equine and animal sciences from Colorado State University.

Marshall and his wife, Lorna, now reside in Prague, Oklahoma. They also have three children, Wyatt, Justis and Wynn.

more critical mass we have — the more impact it has, and the larger the premiums have gotten,” Marshall explains. “The neat thing is that the value of genetics doesn’t decrease, and it’s a way for cow-calf producers to

continued on page 3

continued from page 2

differentiate themselves in the marketplace.”

“What we’re doing with the GMS, and paying a dollar for having an EID tag, you can see that National Beef values things like traceability, identification and genetic merit moving forward in the industry,” Bertelsen says.

Enrollment & participation info

To qualify, calves must be enrolled in AngusLink, which requires they be at least 50% registered Angus sired, and 75% of the bull battery must be registered. Each calf must have an EID tag.

“Enrollment and verification through IMI Global is simple and straightforward,” Marshall assures. “The process takes approximately 15 minutes and is completed over the phone. No on-site audit is necessary.”

To enroll:

1. Contact AngusLink at 816-383-5100 or IMI Global at 303-895-3002
2. Have on hand:
 - Sire registration numbers of herd’s total bull battery
 - Description of the cow herd breed composition
 - Birth dates, at minimum, beginning and ending calving dates

Enrollment costs range from \$2.75 to \$3.25 per head, with the price variance dependent on the EID tag selected. Costs are \$1.50 per head for calves that already have an EID

tag. Back verification is available at \$3.00 to \$3.50 per head, or \$1.75 for animals with EID tags.

A certificate is sent upon approval, which can be shared with buyers. The feedlot must submit that certificate number when scheduling GMS cattle.

If producers want to know how their animals will score before officially enrolling, Marshall says the AngusLink team can provide a solid estimate by looking at the bull battery. He observes that most producers who pursue the program are already progressive in nature, and therefore their calves will likely be above industry average because of how they were raised.

To improve a GMS Beef Score, producers should study the Beef Value (\$B) index of registered Angus bulls, which accounts for marbling, ribeye, fat, carcass weight, residual average daily gain and dry matter intake. Feedlot Value (\$F) and Grid Value (\$G) are also important parameters.

Marshall shares the goal of the GMS program is that scores will be as essential as EPDs when it comes to buying bulls.

“Our hope would be in 5 to 10 years that most producers wouldn’t sell a pen of feeder cattle without a scorecard, or an objective way of describing the genetic merit of the calves,” he says.

Come shipping time, herds can be comingled, as well. There are two ways scores are calculated for comingled groups. For example, if Rancher A has 75 calves and wants to add 25 head from Rancher B, and both sets are getting delivered to National

Beef through USPB, then Rancher A and Rancher B can receive individual scores on their respective groups. Another option is for Rancher A and Rancher B to receive a cumulative score for the 100 total head.

“Score characterizes the entire group, but it is tied to individual animals,” Marshall reminds. “So if you’re comingling, it goes back to an individual ID with each animal having a score from that group.”

Listings are available at Angus.org/AngusLink/FindCattle. Updated listings are emailed on a weekly basis, and include the selling location. Lots selling via video markets like Superior Livestock Auction, Western Video Market and Northern Livestock Video Auction will have a GMS badge to indicate enrollment.

Feedyards receiving enrolled cattle do not need IMI Global approval. When calves arrive, never cut out any ID or EID tags, even if that is a routine processing procedure. Feedyards are also advised to ask for a copy of the enrollment verification certificate. USPB must receive a **GMS Showlist Form A** at least two weeks prior to harvest delivery.

As the program progresses, Marshall is very excited to see continued alliance with USPB and National Beef and the opportunity to be part of that grid with the GMS.

“We really feel it’s a transformative step, and we’re excited that National Beef and USPB were able to take that step,” he says. “I think it will continue to revolutionize the industry, and help us to improve the quality of the product we’re producing.” ♦