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HEREFORD WORLD

Published by the American Hereford Association

February 2017; Vol. 107, No. 9

There Is a Reason



McCabe Genetics markets Hereford and Angus bulls with an intense customer service focus.

by Sara Gugelmeyer

The McCabe family is a self-proclaimed Angus family. Since 1967, selling Angus bulls has been McCabe Genetics' bread and butter. But in 2008, they added Herefords to their enterprise, and their business has boomed.

So right

The McCabe family has been farming land in far southeast Kansas, near Elk City, for generations. When they added Angus about 50 years ago, the whole operation was a partnership, Randy McCabe says. Family dynamics changed, especially with the passing of Randy's father in 1990, and in 2005 the family farming partnership was dissolved. After a few transition years, by the fall of 2008, hog barns were emptied and Randy had found the second breed to add to McCabe

Genetics, his newly formed seedstock business — Hereford.

Coincidentally, a neighboring Hereford operation was also facing changes. Bob Faler of Elk Valley Hereford Ranch passed away. Back when Randy was in high school, he helped Bob some, so buying out his widow Sandy seemed like an opportunity for the McCabes.

"It was unfortunate that he passed away, but Herefords seemed like a good fit for us," Randy says. "Sandy was instrumental in making it all come together and my boys (Flinton and Ethan) dealt with all the details. I don't think we would have wanted to compete with Bob, because he had a strong local following, but the Hereford breed just seemed so right."

Randy says that the Hereford business has really blossomed in that time period.

"When I was growing up it was customary for people to alternate with a set of Angus bulls and a set of Hereford bulls. As time went on, for whatever reason, they used Angus bulls continuously and then it was 20 or 25 years since they had used Hereford bulls. That has really opened the door for some people to use some good Hereford bulls. Right now, I feel like there is demand at a little higher level for Hereford bulls than Angus, because there are so many Angus bulls."

In addition to the Elk Valley herd, Randy and his sons bought a group of cows from Jack Evans at EE Ranches, Winona, Miss., with some advice from the American Hereford Association's Director of Seedstock Marketing Joe Rickabaugh.

"Some of our longtime customers, I think were surprised,"

Randy says. He even admits some of the family members were shocked to see red and white in the pasture where black had always reigned. It certainly worked out for the McCabes, though.

“With the customer list from the Falers,” Randy says, “we got to meet a lot of new people. Many were close by and even though we had been in the Angus business all these years, we had never met them. Lo and behold, many of the Falers’ customers also used Angus bulls.”

And some of the McCabes’ longtime Angus customers were looking to change things up.

“I think the cow herd is so black, and is going to stay pretty black-based,” Randy says. “But people are looking for something to enhance their bottom line and hybrid vigor is the closest thing to a free lunch you can get. I have had more than one conversation, just this week, with people who call in and are thinking of putting a different breed of bull on their black cows. They are considering different things, but with a Hereford, you are not only going to gain pounds on the steer side, but the heifer side could be even more advantageous because of the value of the black baldie female.”

Marketing aficionado

Randy would know. In addition to selling about 150 of home-raised Hereford and Angus bulls, McCabes markets another 400 to 500 of what they call cooperator bulls as well as around 1,000 head of their own and customers’ females.

The way their cooperator program works is fellow seedstock breeders of all sizes from all over the country bring — or in some cases McCabes pick up — their bulls at weaning. McCabes develop the bulls, market them either through their annual March sale, or private treaty, and then split the check with the owners. Randy says that’s the biggest part of their business.

“We started that in around 2006 just on the Angus side,” Randy explains. “And at first, I was very opposed because I felt like that was being a bull trader. But my sons thought it would be a good way to expand. Now it’s my favorite part of our business.”

Flinton returned to the family operation full time in around 2010 after attending Butler Community College on a livestock judging scholarship and working for a few years for Genex. Ethan also went to Butler on a judging scholarship. Then he continued his education at Kansas State University and earned his bachelor’s degree in animal science in 2012.

“Dad’s been really good at letting us try things,” Flinton says. “He is willing to let us learn from our own mistakes.”

But developing and marketing bulls has been a great asset, they all agree. The bulls are developed on forage, Flinton says, and with just minimal supplementation.

“The way the bulls are developed allows them to hold up in different environments,” Flinton says. “We can send them anywhere and those bulls will work.”

Randy says they’ve learned a lot in the 10 years they’ve been developing and marketing bulls.

“We develop bulls a little differently than most people,” he says. “We have them out on pasture, and we don’t try to sell any Hereford yearling bulls. We let them grow a little slower. We’ve pushed bulls as hard as anybody and we’ve also paid the price with poor semen checks and joints and bad feet, so we develop them slower.”

He adds that the Hereford bulls and Angus bulls are developed separately to make the best end product. “We have found that we need to develop the Hereford bulls a little differently than Angus,” Randy says. “I think they have a different growth curve, and so they don’t do well managed together.”

Randy says on their own cow herd they use AI (artificial insemination) extensively.

“We are big believers in AI,” he says. “We have bought into some Hereford bulls, but, I feel like if I buy a bull I might not be smart enough to pick the bull I need, and then I own them at that point. But with AI, you have the whole breed at your fingertips. You can sample some bulls and see what works.

“Even on the Angus side, we don’t have the herd bull mentality. With AI, I can use any bull in the country. It’s such a wide selection compared to going and buying a bull and having a so-called herd bull. We breed for the numbers, and I like the selection of being able to pick the bull that we feel like will do us a good job. Then if he doesn’t, we don’t own him, and we can just move on,” Randy says.

Everybody wins

Both Flinton and Ethan say what makes their operation stand out is commitment to customer service.

“It’s a family operation that’s dedicated to customer service,” Ethan says. “If there’s a problem, we do everything in our power to fix it.”

Randy adds, “If we expect them to pay a premium for bulls, I think it’s on us to try to help them get a premium for something they sell. It’s a constant chain and everybody wins.”

The biggest part of their customer service is helping clients market their calves. In addition to offering the bull development and marketing option, clients can also market females through McCabes’ annual sale.

“We feel like this is a real good opportunity to help customers add value and get a premium for their females,” Randy says.

Consignors can video their heifers, cows, pairs, bred heifers, you name it, at home on their farm or ranch. Flinton often personally goes to the customer’s operation and does the video himself. Then, during the sale, the consignor can bring three to five head as a sample, otherwise the buyers just purchase lots from the video and description. Each year, McCabes market between 750 and 1,200 head of females this way, and the large majority are customer owned.

“That does a couple things,” Randy explains. “First of all, it helps our customers which is what we are trying to do. It also strengthens our bond with our customers. We see black baldie ready-to-breed heifer calves bring \$250 to \$300 more than straight Angus mates that are just as good. There’s a really good market for these females so we try to help them advertise them and help them get these females moved. We feel like the more we can stay in contact with customers, the better job we can do.”

Another customer service technique the McCabes have implemented is a calf buy back program. Flinton handles most of that process and says they purchase the calves, wean them, and send them to a commercial yard, Kinsley Feeders, in southwest Kansas for finishing.

“We work with people all year long, and we try to stay in contact,” Randy says. “In the fall we try to buy calves from our bull customers. We may buy several hundred head a week. It’s our goal to work with our customers to enhance their marketing possibilities.”

Randy gives an example of helping out a bull customer just by making some connections for him.

“For example, we had a bull customer in Mississippi who had kept his calves longer than he maybe should have and got them over the threshold of when they would be as merchandisable as possible,” Randy explains.

While the calves would no longer fit in Randy’s normal scenario of him buying them and backgrounding, Randy suggested he consider sending them to a yard to feed out. He was able to connect him with Kinsley Feeders, but he needed a way to get to them there.

“Even the feedlot manager didn’t know of trucks that wanted to go to Mississippi and deliver all the way to Kansas,” Randy says. “We have another bull customer in Mississippi and he happens to have a truck line so we were able to hook the two of them up. They took 11 loads of calves from Mississippi to a feedlot in western Kansas. We were able to work with the bull customer and use our network of people to help string the whole thing together.”

That’s just one example of how McCabes go above and beyond to make customers profitable and happy.

“I think it’s really important as breeders that customers can come to us and ask questions,” Randy says. “They look to us like we have some expertise in this area. The first time you take advantage of that, that’s the end of the relationship. But if you are sincere and genuinely trying to help them, it all comes back around.”

Joe Rickabaugh says he has noticed how McCabes handle their business. “Randy McCabe and family have been long established seedstock producers and brought a lot of experience and management savvy when they started their Hereford operation. The McCabes not only know how to raise good seedstock they also focus on marketing. They know how to find new markets and work hard to retain their customer base. They take time to visit operations, ask questions of commercial producers and then put this knowledge to work to produce both bulls and females that work for their commercial clients.”

Rickabaugh adds, “It is interesting to have watched the development of their Hereford program alongside their Angus operation. They have commented on the strengths of the Hereford breed since incorporating Herefords into their operation. Disposition, longevity, structure and the ability of Hereford cattle to do well in range conditions are all mentioned.”

Yes, McCabes may have been an Angus family, but Herefords have definitely made an impact.

“Herefords have an awful lot to offer for the mother cows they make,” Ethan says. “Making those black baldies is awfully hard to beat, because it gives a really good opportunity in any market. The Hereford cattle themselves are good-doing, hardy cattle that go out and perform and hold up like you’d like for them to.”

Flinton says adding Hereford has been a great addition to their program.

“The Hereford breed has been one of the best decisions we’ve made in my generation. It’s diversified us so much. With the cow power in the black baldie female, and the marketability of the black baldie steer, there is nothing like it in this part of the world. We also work with guys in the south to make tigerstripes. We work with guys with half-blood Brangus cows to make super baldies. We work with every facet of what the Hereford bull can do, and from the cow power standpoint in the commercial industry, there is just no bull that does it in that many different environments. I believe in the Angus bull, but there’s a reason why a lot of females down in the south, up in the north, everywhere, they have a white face.” **HW**