

Producing for a Natural Beef Program

11 a.m. session, Thursday, Dec. 8, 2005

Presenter: Turk Stovall, OriGen, Huntley, Mont.

RAPID CITY, S.D. (Dec. 8, 2005) — The demand for natural beef is exploding, said Turk Stovall of OriGen, Huntley, Mont., during the 2005 Range Beef Cow Symposium. “The demand is here; they just can’t find the supply,” he noted. Stovall discussed what it means for beef to be “natural,” and explained the risks and benefits that go along with raising natural beef.

While the official U.S. Department of Agriculture (USDA) definition of “natural” is simply “unprocessed,” Stovall said the marketplace is differentiating the product category itself. Most natural beef programs, he said, rely on the “never-ever” rule: never any hormones, implants or antibiotics.

Each individual producer must weigh the pros and cons of using implants or maintaining eligibility for natural beef programs, Stovall said. While pounds are usually lost by not using implants, their loss must be weighed against the possible premiums garnered through natural beef programs. He also noted that natural beef programs usually bring a 5%-10% increase in quality grade, as well as a \$5- to \$10-per-hundredweight (cwt.) increase in premiums. Producers who can raise and market natural beef, especially yearlings under 20 months of age (to qualify for export markets), are in place to make a great profit.

To manage risk, health is the No. 1 thing a buyer considers when looking for natural cattle, he said. “That is the number one thing we’re gambling on.” While treatment is not allowed, Stovall emphasized that “vaccines and vaccinated calves are essential for a natural beef product.”

In a natural beef program, a calf that becomes sick and must be treated is considered an “out” and isn’t eligible to sell as natural. Recordkeeping, as well as intensive management, is crucial for producers working for the natural market. “Feeder calf premiums are significantly impacted by health,” Stovall noted.

Stovall repeatedly stressed the importance of buyer confidence and seller reputation. If a ranch creates a good reputation by reliably producing quality calves and being trustworthy, then buyers will come back, he said.

“Buyers are starting to assess the total management of the yard,” Stovall explained. Buyers also need confidence in their sellers because buyers must report to their customers — the packers.



Recordkeeping and intensive management are crucial for producers working toward the natural market, said Turk Stovall of OriGen, Huntley, Mont. [PHOTO BY LYNN GORDON]

“We have to get more intelligent about what we’re doing,” Stovall said. “In natural beef production, there is tremendous reward, ... but we have to understand the risk.”

— by Brooke Byrd, assistant editor, Angus Productions Inc.
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