

the isa informer

FALL 2003

www.isacattleco.com

ISA CATTLE COMPANY

Great news!

Increased 2003 tax benefit

Our CPAs, Armstrong Backus & Co., have advised that a person buying \$200,000 worth of cows in 2003 may be able to deduct as much as \$115,000 in 2003 under the new tax depreciation rules. If buying heifers, a person can deduct up to the entire \$200,000! Check it out!

(This is a Section 179 deduction plus (in the case of heifers) the new Section 168K bonus depreciation. Talk to your accountant to find out how to take advantage of this opportunity.)

Visit www.isacattleco.com for a listing of this year's sale bulls and their performance and pedigree info. A final version, with the bulls listed in sale order, will be available on the site Sept. 25th.

Our 42nd Beefmaster Bull Sale will feature 50 sons of L Bar 5502.



2 years old

Brad Cardwell

portrait of a



L Bar 5502 at 4 years

Gus Navejas



7 years old

Brad Cardwell

L Bar 5502 Texas A&M Carcass Test Results

Trait	BW	WW	YW	Carcass Wt.	Ribeye Area	Yield Grade	Marbling Score	Choice & Prime	YG 1&2	Shear Force
5502	76	502	926	686	12.4	2.96	Sm ⁶¹	72%	50%	7.47
Rank	2	2	2	1	2	4	7	5	7	4

Don't miss this chance to purchase genetics of this great bull!

**10 a.m. • Saturday, October 4, 2003
Producers Auction • San Angelo, Texas**

The sale will offer 200 performance-tested bulls, including 100 sons of AI bulls.

Sale Headquarters: Holiday Inn (325) 658-2828

L Bar 5502 EPDs

Trait	BW	WW	Yearling Wt.	Maternal	SC
EPD	1.7	25.3	39	-14.6	0.5
Top 15%	*	*	*	*	*

Crossbreeding yields explosive results



Red Angus



L Bar 5502



Homestead 1081M

5/15/02 BW 75 Adj WW 733 Adj YW 1327 Yr SC 40

Royce and Rose Witte and manager Kent Smith at The Homestead have been experimenting with 5502 x Red Angus genetics to create E6 females.

The bull pictured at left proves that 5502 will even make a Red Angus look good! Congratulations to Homestead for their innovative thinking!

5502 progeny achieves success in the show ring and the sale ring

At the 2002 President's Council Sale, we sold over 1000 straws of L Bar 5502 semen, making him the highest selling lot—ever—in the breed's most prestigious event!

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Over 20 JBBA members are using 5502's semen this year, and many have been winners in the show ring. Winners include Alison Durio with the Reserve Champion Bred Heifer in the Southwest Louisiana District Livestock Show and Jackie Fuchs with the runner-up Junior Heifer and the Reserve Intermediate in the Mid Atlantic Fall Futurity.

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The second high-selling bull at the Homestead 2002 Sale was a 5502 son. Congratulations to owners, Royce and Rose Witte, and ranch manager, Kent Smith.

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The top-selling bull at the 2002 Sierra Pacific Sale was an

Do you have a 5502 success story to share? Email us at isacattl@wcc.net, and we'll include your story in an upcoming *Isa Informer*.

L Bar 5502 son. Congratulations to Ward and Rose Burroughs.

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An L Bar 5502 son was also the top-selling bull in the David C. Brown Production Sale, held in Arcadia, Florida.

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Congratulations also to Peter Summers whose 7-month-old 5502 daughter won the Junior Heifer Futurity at the Mid-Atlantic Beefmaster Futurity.

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Congrats also to Mike Igau and Sunset West Beefmasters on Sunset 13K4, a terrific 5502 daughter who was the Champion Bred Heifer at the 2001 JBBA National Heifer show. The heifer was shown by Stacy Beckmann and Neil Beckmann.

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Questions provide keys to profits

By Laurence M. Lasater, Chairman

How do Beefmasters perform in the feedlot and packinghouse?

Very well. Our cattle will equal or surpass what any other breed can do. We are unique among seedstock producers in having fed and slaughtered a large number of our breed's steer calves.

Between 1989 and 1994, NewBeef fed 10,886 Beefmaster steer calves in two feedlots in the Texas Panhandle. The cattle were purchased as calf-crops from all over the U.S. and Mexico, and most were sold on formulas to Excel and IBP. The steers were fed a high-quality, corn-based ration in two well-managed yards. Beefmasters are consistent and predictable and equaled or exceeded industry standards in every important category. (See the results at right.)

In my 40 years of selling Beefmaster bulls, I have been asked many times

about optimizing profits, how the market is made and retained ownership. I thought I'd answer a few of these questions and include the data on Beefmasters' performance.

What should my bull-buying strategy be?

The bull business is very competitive, and good bulls, like computer software, are readily available at reasonable prices. Don't even think of buying bulls from a breeder who does not have a short breeding season. His cattle are not productive. Purchase seedstock from people who have better cattle than you.

Buy bulls that have been through a large, valid peer-group performance test. Use whatever numbers are important to you. Performance-testing is nothing more than an accounting system for genetic potential.

What is the price of admission to the cattle business?

One load (50,000 lbs.) of properly immunized calves or yearlings to sell or feed. They can be steers and heifers mixed, and you can even team up with a neighbor, if you both buy performance-tested bulls and use the same 90-day breeding season.

uct to sell. Cows exposed over 90 days don't calve every year. Calve every year! If you breed at 13 months and breed for a short season, you will eliminate genetic non-producers and low-producers. Nature will size your cows to fit your environment. You can still select for muscle, and natural selection will eliminate those families too heavily-muscled for calving ease.

What effect will using mediocre bulls have on my profits?

Mediocre bulls mean no profits. You will have a low-producing cow herd,

which will command no premium if you decide to sell. Your steer calves will not command a premium because they will not be known as good performers.

Why is quality grade of so little importance?

Young, quality cattle fed to finish on a corn ration produce uniformly desirable

lean, tender carcass. Calf-feds, the most desirable, grade lower than yearling-feds. This is taken into account in the market. The market has abandoned the grading system.

Calves put on feed at weaning convert efficiently and develop tender carcasses with more muscle and less fat due to being earlier in their growth curve than cattle fed as yearling.

How do you increase net income off a given operation?

By increasing gross. Eliminate sale of low-dollar categories, such as feeder heifer calves, and thin cull cows in the fall.

BEEFMASTER FEEDLOT PERFORMANCE		
Total Steer Calves Fed	10,886	A large, representative sample
Average Sale Weight	1,130 lbs	Ideal carcass size
Average Sale Price	\$76.70	\$2 premium over bulk Choice steers as reported by TCFA
Average Days on Feed	221	Long-fed
Average Dry Conversion	6.8	Very good on long-fed cattle
Average Death Loss	1.2%	Good on un-preconditioned calves
Average Cost of Gain	\$52.25	Below industry average
Average Hot Carcass Yield	64.7%	1.2% above average
Average Yield Grade	2.6	Way above average on long-fed cattle
Average Percent Culls	4.95%	Industry average 15%
Average Percent Standard	0.45%	Industry average 5%
Average Percent Choice	43.7%	Above average for calf-feds
No seedstock producer has published data like this because no breed can touch Beefmasters' overall performance.		

How do you make a profit in the cattle business?

By retaining ownership of all your steers and heifers at least through the yearling stage when they weigh 750 to 850 lbs. Breed at least 80% of your heifers for replacements or sell them as replacements. Don't ever sell over 20% of your heifers as feeders.

What is the most important management tool in the ranching industry?

The use of a 90-day breeding season which, over time, eliminates low-performers of both sexes and gives a uniform prod-

What is considered low, medium and large birthweight in reference to the bull? It has been pot luck with the Beefmaster bulls I have bought over the last 20 years.

—John Hernandez (via email)

Dear John,

We shoot for birthweights of 85 lbs. and below for cows. With weights of 85–99 lbs. use caution, and I consider anything over 100 lbs. unacceptable. We also recommend using only bulls that are out of cows that first calved successfully at 24 months, as they will be easier calving and higher performing.

To ensure calving ease when selecting bulls, we always breed our cows to a bull that can also breed heifers. We test out every new herd bull on heifers first, and then get rid of him if there is any trouble.

On the cow side, we breed all heifers at 14 months for 60 days to calve as two-year-olds in the same season as their mothers. This program weeds out the infertile, hard-calvers quickly.

If you can implement some measure of these two things in your own herd and/or buy genetics from people who use similar standards, you will greatly reduce calving problems and variation in birthweight.

Thanks for your interest. Let me know if I can help with anything else.

Regards,
Lorenzo Lasater

Have a question about something relating to Beefmasters (or anything else)? Feel free to contact me anytime at lorenzo@isacattleco.com. No guarantee the answer will be right or that you'll even like it, but it's free! I look forward to hearing from you.

Q&A Bulletin

SALE DAY SEMEN SPECIALS

\$60

10 or more straws

L Bar 5502 has been called "possibly the best bull in America." 17 sons averaged \$5500 in our October 2000 sale.



L Bar 5502



L Bar 8419

\$30

10 or more straws

L Bar 8419 is the first son of 5502 kept in our herd. He is a first calf off of a two-year-old heifer.

\$30

10 or more straws

Lasater 6129 is an athletic bull that exemplifies the Six Essentials. A prolific breeder, 6129 sired four of 13 Lasater Ranch herdsires.



Lj 6129



L Bar 7499

\$20

10 or more straws

L Bar 7499 is a proven grandson of the great Lasater 513. He is an ideal bull.

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Laurie, Annette & Lorenzo Lasater

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42nd Beefmaster Bull Sale

Saturday, October 4, 2003

Female Sale—Saturday, January 17, 2004

PRSR STD
U.S. Postage Paid
San Angelo, TX
Permit No. 314