

# Cattle Value Enhancement Opportunities Available in Oklahoma

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# What is Value Enhancement?

- Value is created when you produce a product that meets or exceeds the expectations of the customer *every time*
- Management practices that will increase the net profit of an operation and/or will increase the market demands of the cattle.

# Value Enhancement Opportunities

- Health/Nutrition
- Age and Source Verification
- Genetics

# Health/Nutrition

- Herd Management
- Backgrounding
- Preconditioning
- Beef Quality Assurance (BQA)

# Age and Source Verification

*Quality Systems Verification Programs (QSVP) are designed to provide independent verification that special processes or marketing claims are clearly defined and verified.*

- Process Verified Program (PVP)
  - Cattle/Supplier based program
  
- Quality Systems Assessment (QSA)
  - Feedyard Supplier to Packer

# Age and Source Verification *cont.*

- Process Verified Program
  - Involves training and audit by a representative of the company that has gained USDA approval
  - Cattle must be enrolled in a PVP
  - Identify / Tag all cows and calves
  - Record the date of first and last born
  - Cooperatively participate in an on-site audit
- <http://processverified.usda.gov/>

# Genetics

- High quality genes in every breed
- Marketing advantages
  - Breed associations
  - Commercial carcasses
  - Natural carcasses
  - Organic carcasses

# Value-Added Marketing

- Auction Markets
- Pre Conditioned Sales
- Group Marketing
- Direct Sales
- Electronic Marketing
- Alliances

# What are the Challenges?

- Lack of knowledge
- Risks
- Input costs/capital
- Facilities
- Time/Labor
- Herd management
- Traditional patterns

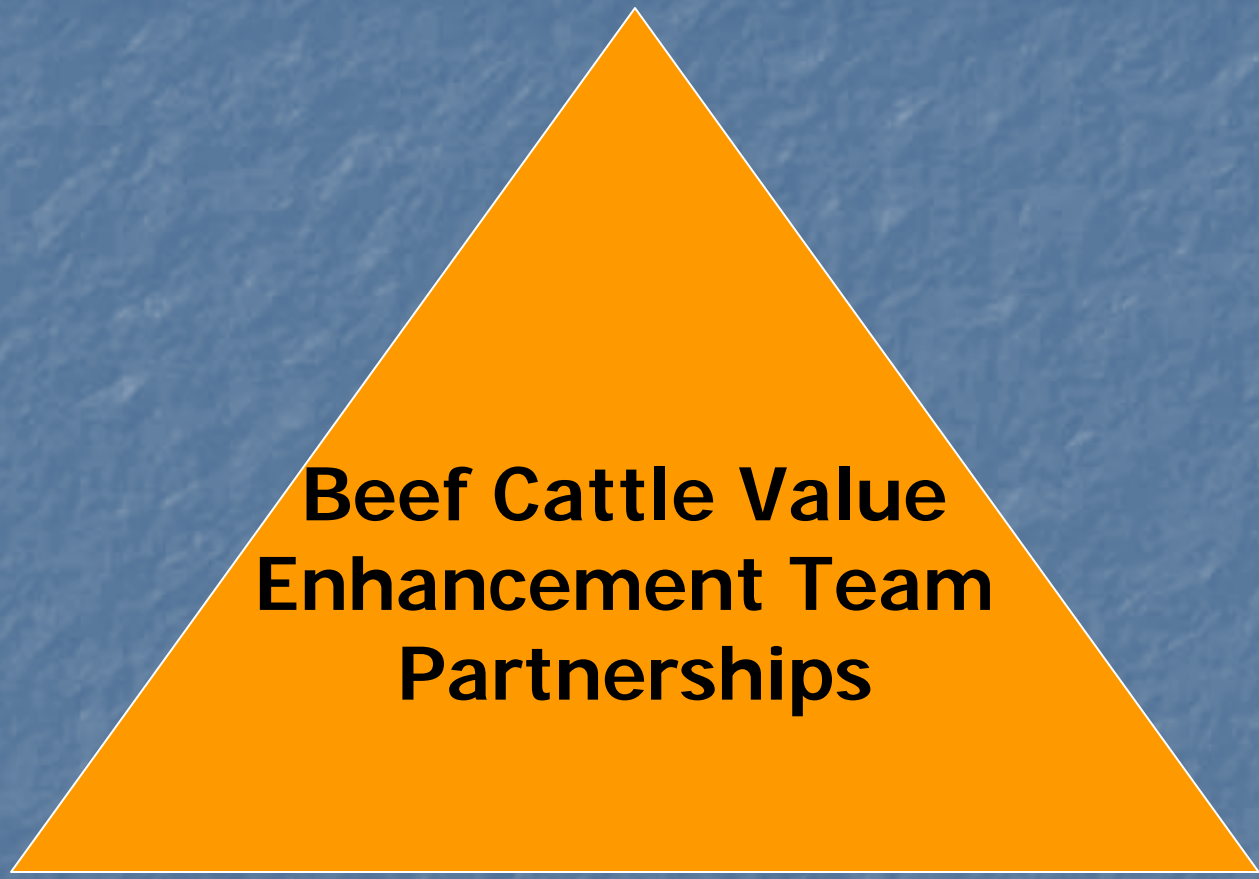


Beef Industry

**Beef Cattle Value  
Enhancement Team  
Partnerships**

Oklahoma State  
University

Oklahoma Cattlemen's  
Association



# What is Doug's role?

- Beef Cattle Value Enhancement Specialist
- The “go to guy” in providing information and educational opportunities between producers, Industry, organizations, and programs offering value-enhanced marketing opportunities.
- Assist cattle producers to use value enhancement programs

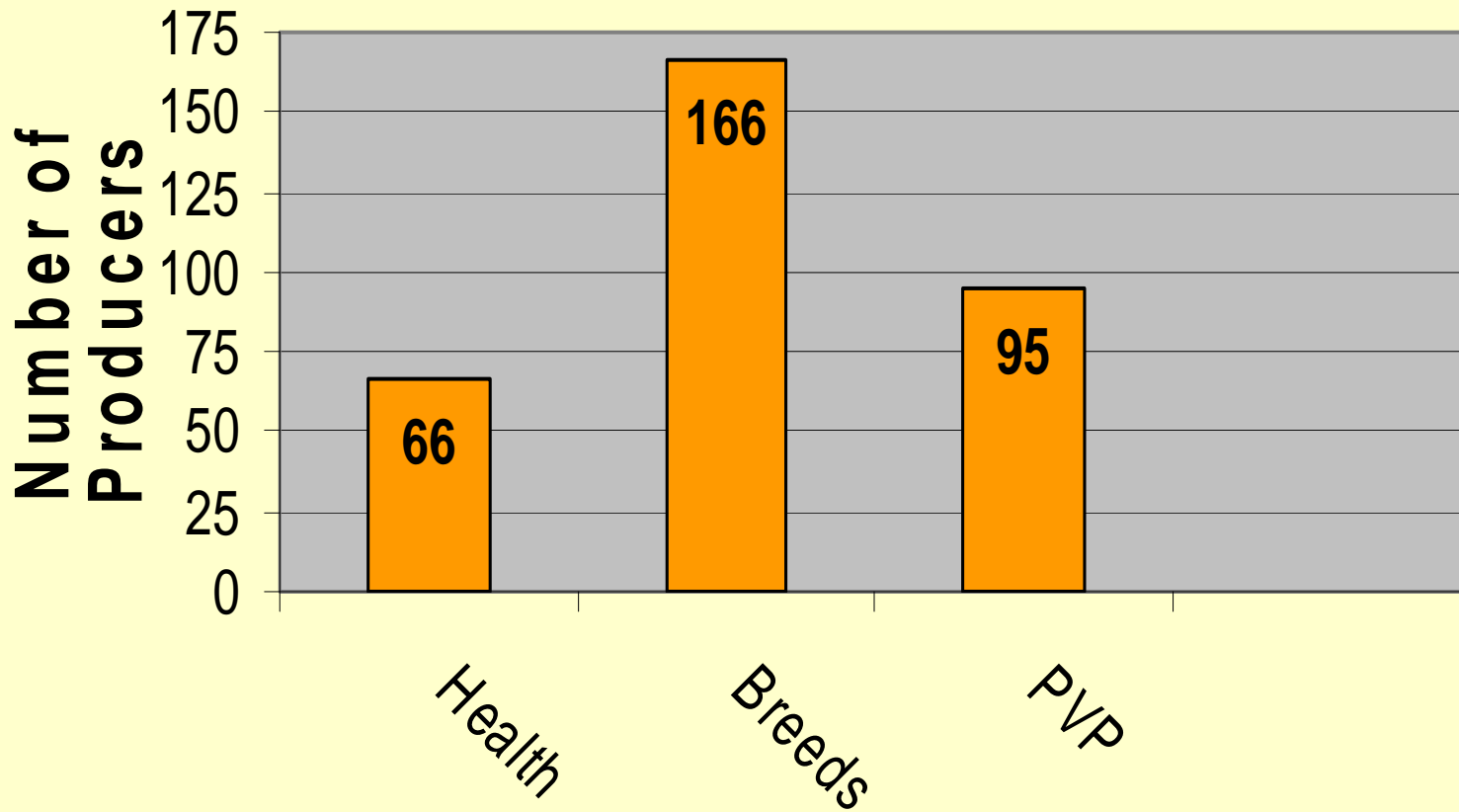
# What is Doug's role? *cont.*

- Develop additional value enhancement market opportunities
  - Facilitate Value-added efforts and programs to OK producers.
  - Help producers add new components.
  - Increase marketing opportunities of value-enhanced cattle.
- Increase the net \$ return to Oklahoma cattle producers

# Current Assessment

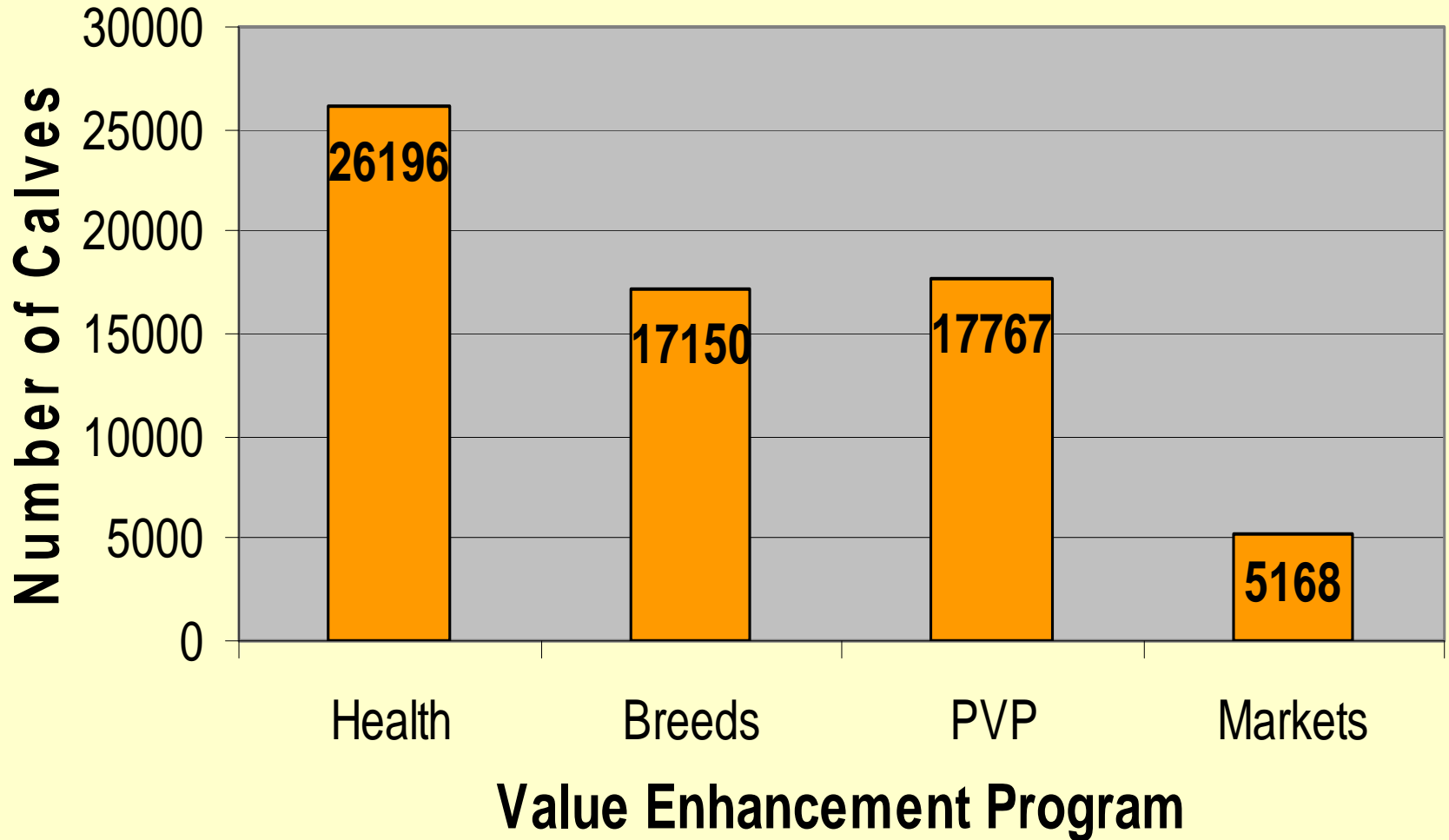
- Animal Health Companies
- Breed Associations
- Age and Source PVP
- OK Livestock Markets
- OK Feedyards

# 2007 Oklahoma Producers Baseline Assessment

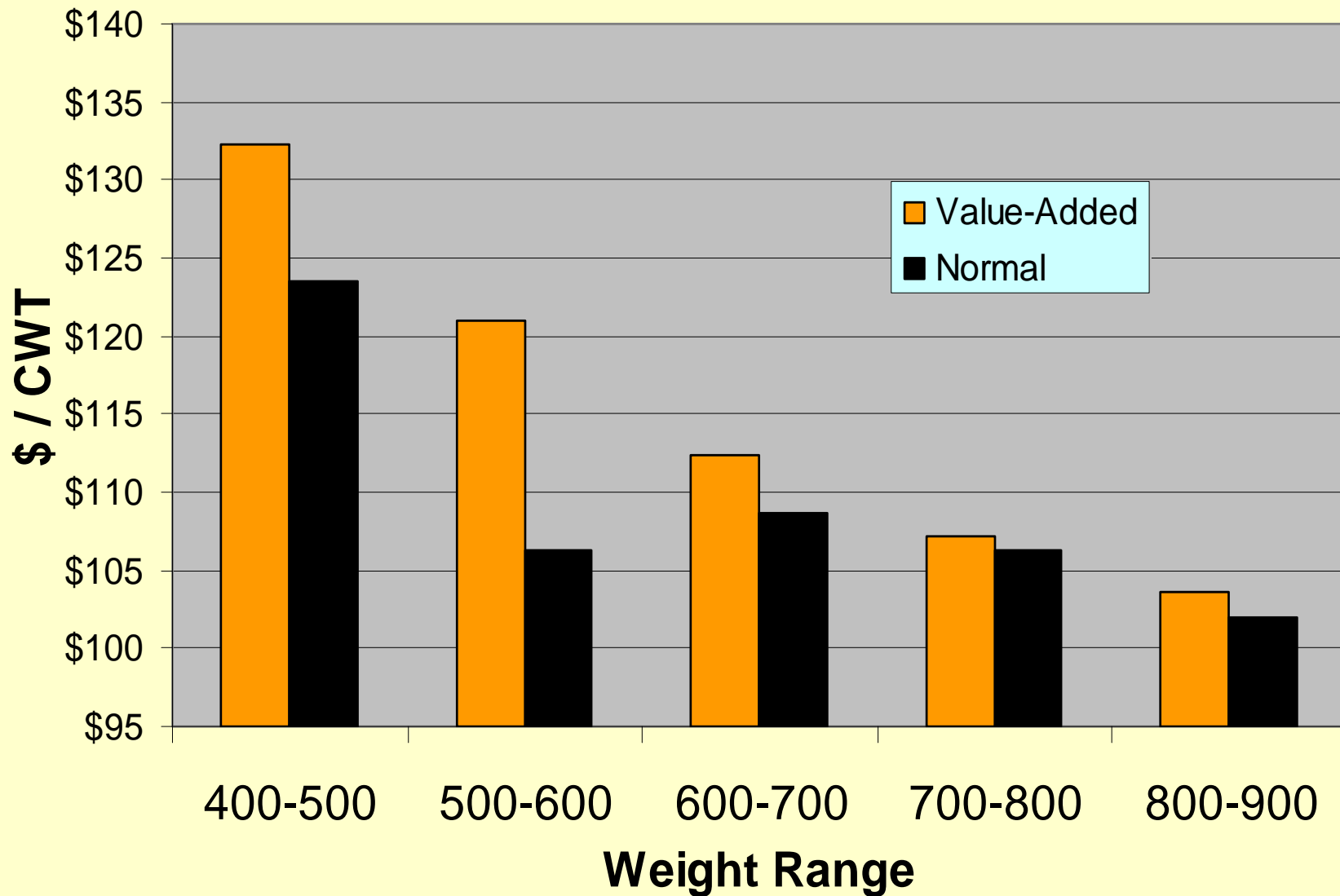


**Value Enhancement Program**

# 2007 Oklahoma Calves Baseline Assessment



## 2007 \$ / CWT for Steers



# OK Feedyards

- 12 Oklahoma Feedyards
  - 675,000 head annually
  - 52.7% of the cattle are from OK
  - Most are yearling and not calves
  - They seek preconditioned calves
- \$3-10/cwt for preconditioned calves
- \$1-3/cwt for age and source calves

# OK Value Enhancement Program

- Baseline Assessment
- Determine Producer Needs
- Develop an Information Fact Sheet
- Develop Educational Programs
- Develop & Maintain Website
- Perform On-site consultations

# Questions?

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