



2006 National Angus Conference & Tour



Beef Carcass Value

by **Shauna Rose Hermel**

BOISE, IDAHO (Sept. 26, 2006) — Meat scientists are often accused of focusing too much on the outliers that cause problems in the beef supply, Brad Morgan told attendees of the 2006 National Angus Conference in Boise. “We do probably harp too much on the bad stuff,” the associate professor of animal science at Oklahoma State University admitted, “but the bad stuff is the stuff that needs to be fixed.”

When the truck leaves the feedlot and heads to the packing facility, producers need to know exactly what’s on that truck, Morgan told conference attendees. Many cattle harvested will never be fabricated because there is something wrong with them; they have a defect, or, in more politically correct terms, a nonconformity.

Because of its low cost, someone will buy that product and it will end up on a plate somewhere, Morgan emphasized.

“You go to some of these packing plants and ... you can see carcasses hanging there that look like a cow-calf pair,” Morgan said, showing a picture of a 1,200-pound (lb.) carcass hanging beside a carcass weighing less than 500 lb.

Blood splashes occur in less than 0.05% of the harvested population. While that would not seem a big problem, Morgan said, multiply that by 36 million head of steers and heifers harvested annually and you get a glimpse of the truckloads of beef that are

shipped out the back door of the plant, unfabricated because the packer doesn’t want to put its name on the product.

Other defects include inappropriate size, injection-site blemishes, bruises, callous lean and dark cutters.

To give producers a feel for the economic



Brad Morgan, Oklahoma State University, discussed the economic impact carcass outliers have on the beef industry.

effect of these defects, Morgan followed a set of 50 typical cattle through processing at the National Beef plant in Liberal, Kan. Morgan presented a slide showing the cut surface of the ribeye for each animal.

Overall, the group looked pretty good, but there were lemons among them, Morgan pointed out. The group varied \$757 in carcass value from the most valuable to the least valuable.

Pointing out the cost of nonconformance, Morgan explained that a dark cutter leaves \$380 on the table in discounts. It would require the premiums of 12 animals grading *Certified Angus Beef*® (CAB®) to make up for the loss.

National Beef Quality Audit

Morgan reported results of the 2005 National Beef Quality Audit (2005). Conducted every five years, this industry audit surveys different industry sectors to identify needed areas of improvement as seen by each sector.

According to beef industry end users (packers and retailers), the top defects of greatest concern are:

- (1) a lack of uniformity/consistency in marbling and tenderness;

Top 10 quality challenges identified in the 2005 NBQA

- (1) Lack of traceability/individual animal ID/source and age verification/chronological age
- (2) Low uniformity of cattle, carcasses and cuts
- (3) Need to implement instrument grading
- (4) Inappropriate market signals
- (5) Segmentation within and among industry sectors
- (6) Carcasses and cuts that are too heavy
- (7) Low cutability/yield grades that are too high
- (8) Inappropriate ribeye size
- (9) Reduced quality grade and tenderness due to implants
- (10) Insufficient marbling

SOURCE: Deb Roeber, Oklahoma State University, October 2005.

What is the industry doing well?

- (1) Developing “story” beef
- (2) Reducing *E. coli* O157:H7
- (3) Merchandising “quick” (to prepare) beef
- (4) Merchandising new beef “value” cuts
- (5) Reducing excess fat cover at the end-user level
- (6) Developing “brands” of beef
- (7) Increasing beef demand
- (8) Making the industry profitable

SOURCE: NBQA Strategy Workshop, Oklahoma City, Okla., October 2005.

- (2) cuts too large for the foodservice and restaurant trade;
- (3) excess fat;
- (4) abscesses and lesions in cuts, trimmings and variety meats; and
- (5) blood-splashed muscle.

Those same end users noted the greatest improvement occurring in microbiological safety, improved cattle genetics (i.e., more Angus genetics) and beef of higher USDA quality grade, and fewer injection-site blemishes.

Morgan also discussed beef quality concerns of those who trade beef in export markets and concerns identified at the packer level (see PowerPoint® and audio).

Morgan provided a progress report on the incidence of various nonconformities. Of special interest to Angus producers, he said the industry needs to double the number of

premium Choice and Prime carcasses. “We produce about 2½% Prime,” Morgan said. “We could use about 7%.”

According to the 2005 audit, producers miss out on \$26.81 per head due to deficiencies in quality grade; \$20.92 per head due to deficiencies in yield grade; \$4.94 due to heavy and light carcasses, and \$3.01 due to hide and offal losses. In total, these defects equate to \$55.68 in lost profit opportunity.

Morgan told attendees they were lucky to have the American Angus Association to assist them in eliminating nonconformities. “American Angus can be the funnel to help you be able to hit that target and eliminate those nonconforming carcasses,” he concluded.

You can listen to the audio of Morgan’s presentation while viewing his PowerPoint by accessing the files in the newsroom at www.nationalangusconference.com.

