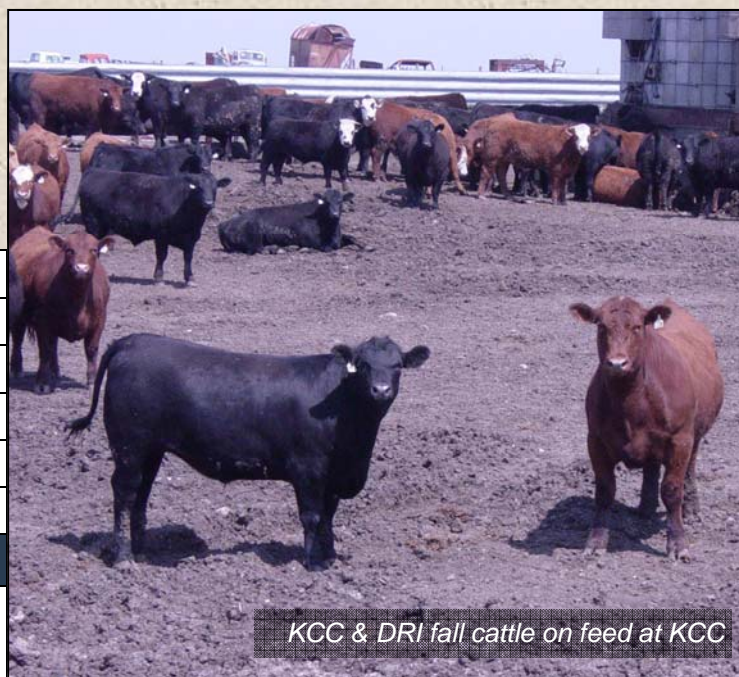


A Word About Cattle Feeding

It's no secret that both operations are big believers in retained ownership of quality cattle. After all, if you're going to go to the trouble of stacking high-quality genetics and handling and vaccinating your cattle properly, why not reap the benefits? If you're willing to go one step further and identify those animals, the story gets even better.

You need to know how your own cattle perform, even if you never anticipate retaining ownership.

Retained ownership seems to be increasing this year, even with higher calf prices and higher corn. It's probably because of the projected breakevens. Let's take a look:



Value of 550 lb calf @ 1.35 on Oct. 1, 2011:	\$742.50
Avg. feeding costs with \$6.50 corn (650 lbs of gain):	\$592.00
Freight & Interest (calf)	\$35.00
Death loss (ours is lower, but we'll use 2%)	\$14.84
Total costs:	\$1384.34
Breakeven price for May 2011 marketing	\$1.15
Oct. 1 Pricing through USPB for May 2011	\$123.00
<i>That is a \$96 per head potential. In addition our grid premiums average \$50 and the rewards for age/source are \$25 per head, bringing OUR total to \$171/head over selling a calf!</i>	

Understanding & Interpreting Data

In general, the AAA has set things up so that the higher the number, the "better" it is. In other words, for calving ease direct (CED), a bull with a 9 would calve easier than a bull with a 2. A higher marbling EPD means more marbling and so forth. However, please be careful not to think that bigger is always better. A bull with an outrageously high \$Beef value may give you huge frame scores and hard doing cows. Higher milk values could lead in some instances to udder problems and cows that milk themselves down too much and therefore have trouble rebreeding. The other thing to consider is how much data is behind the numbers the Association generates. We're excited about the \$EN value index which attempts to get a handle on more efficient cows. However, this the Association uses Milk EPD and mature size only to calculate this number. This misses those really efficient outliers (and some hard-doing ones too!).

The Red Angus Association is the only association that builds EPD's from Total Herd Reporting (THR). THR uses data from the entire calf crop - not just the calves that were good enough to register. The biggest benefit of THR is the elimination of reporting bias from data used to calculate EPDs. Perhaps even more significant is the overestimate of performance of sires whose poorer performing calves are not reported.

This next thought cannot be stressed too much. **YOU CAN NOT COMPARE EPD'S ACROSS BREEDS!!!!** Black Angus breeders consider BW +2.0 and below to be suitable for use on heifers, while Red Angus breeders will usually want less than a +0.5 BW EPD. Having said that, here are the averages for parent sires in the AAA and RAA as of September of the current year:

American Red Angus Association EPD Averages for Current Sires

CED	BW	WW	YW	Milk	Stay	CW	Marb	REA	FT	YG	TM	HPG	ME
+5	-0.4	+32	+61	+17	+9	+36	+0.08	+0.05	-0.00	-0.02	+33	+10	+4

DO NOT COMPARE BLACK ANGUS AND RED ANGUS EPD'S UNDER PENALTY OF LAW!!!

American Angus Association EPD Averages for Current Sires

CED	BW	WW	YW	Milk	Scrotal	Docility	RADG	Marb	REA	FT	\$EN	\$W	\$F	\$G	\$B
+5	+1.8	+45	+82	+21	+0.42	+8	+0.12	+0.37	+0.22	+0.008	2.49	25.28	23.53	22.62	47.30

Understanding & Interpreting the Data

Performance Data

- **BW**—Bull's birth weight as adjusted by the American Angus Association or Red Angus Association.
- **WW**—Bull's weaning weight adjusted by the AAA or ARA to 205 days
- **YW**—Bull's yearling weight adjusted by the AAA or ARA to 365 days
- **Scrotal**—Bulls scrotal circumference in centimeters adjusted by the AAA or ARA to 365 days of age (1 year)

Performance EPD's (Expected Progeny Differences) Items in RED are new this year.

- **CED**- Calving Ease Direct is expressed as a difference in percentage of unassisted births, with a higher value indicating greater calving ease in first-calf heifers. It predicts the average difference in ease with which an sire's calves will be born when he is bred to first-calf heifers.
- **BW**-Expressed in lbs, is a predictor of a sire's ability to transmit birth weight to his progeny when compared to the progeny of an average bull in the breed.
- **WW & YW**-Expressed in lbs, is a predictor of a sire's ability to transmit weaning/yearling growth to his progeny compared to the progeny of an average bull in the breed.
- **Milk**-Also called Weaning Wt Maternal, is a predictor of a sire's genetic merit for milk and mothering ability as expressed in his daughters. In other words, it is that part of WW attributed to mi and mothering ability. It is compared to daughters of an average bull in the breed.
- **Scrotal**-Expressed in centimeters, it is a predictor of the difference in transmitting ability for scrotal size compared to the progeny of an average sire in the breed. Available for **BLACK ANGUS ONLY**.
- **Stayability**-The expected difference in probability of daughters staying in the herd at least 6 years. Since cows are usually only culled for being open before the age of 6, the EPD is primarily a measure of **sustained** fertility in female offspring. Available for **RED ANGUS ONLY**.
- **Docility**-is expressed as a difference in yearling cattle temperament, with a higher value indicating more favorable docility. **Black Angus Only**.
- **RADG**-expressed in pounds per day, is a predictor of a sire's genetic ability for postweaning gain in future progeny compared to that of other sires, given a constant amount of feed consumed. **Black Angus only**.

Carcass EPD's (Expected Progeny Differences) Items in RED are new this year.

- **CW**-Carcass weight, expressed in pounds is a predictor of the differences in hot carcass weight of a sire's progeny compared to progeny of other sires.
- **Marbling**-expressed as a fraction of the difference in USDA marbling score of a sire's progeny compared to progeny of other sires. Higher marbling scores are positively correlated with higher carcass quality grades.
- **REA**-expressed in square inches, is a predictor of the difference in ribeye area of a sire's progeny compared to progeny of other sires.
- **BF or FT**- expressed in inches, is a predictor of the differences in external fat thickness at the 12th rib (as measured between the 12th and 13th ribs) of a sire's progeny compared to progeny of other sires.
- **YG**-predicts differences in USDA Yield Grade score, and is expressed in USDA Yield Grade units

\$VALUE INDEXES—Black Angus ONLY

- **Cow Energy Value (\$EN)**, expressed in dollars savings per cow per year, assesses differences in cow energy requirements as an expected dollar savings difference in daughters of sires. A larger value is more favorable when comparing two animals (more dollars saved on feed energy expenses). Components for computing the cow \$EN savings difference include lactation energy requirements and energy costs associated with differences in mature cow size.
- **\$Value indexes** are multi-trait selection indexes, expressed in dollars per head, to assist beef producers by adding simplicity to genetic selection decisions. The \$Value is an estimate of how future progeny of each sire are expected to perform, on average, compared to progeny of other sires in the database if the sires were randomly mated to cows and if calves were exposed to the same environment.
 - **Weaned Calf Value (\$W)**, an index value expressed in dollars per head, is the expected average difference in future progeny performance for preweaning merit. \$W includes both revenue and cost adjustments associated with differences in birth weight, weaning direct growth, maternal milk, and mature cow size.
 - **Feedlot Value (\$F)**, an index value expressed in dollars per head, is the expected average difference in future progeny performance for postweaning merit compared to progeny of other sires.
 - **Grid Value (\$G)**, an index value expressed in dollars per head, is the expected average difference in future progeny performance for carcass grid merit compared to progeny of other sires.
 - **Beef Value (\$B)**, an index value expressed in dollars per head, is the expected average difference in future progeny performance for postweaning and carcass value compared to progeny of other sires.

Reproductive Indexes—Red Angus ONLY

- **Heifer Pregnancy (HPG)** - predicts the probability of heifers conceiving to calve at two years of age. Many breeds offer genetic predictions of yearling bull scrotal circumference as an indicator of age of puberty. Red Angus' HPG EPD offers more than an indicator trait, it selects for producers' desired response: pregnant heifers.
- **The ME EPD** predicts differences in energy requirements of mature daughters of an individual and is expressed in Mega-calories per month. Differences in Maintenance Energy requirements can easily translate into differences in feed required to maintain body weight. While higher milking, higher growth (larger mature size) cattle typically have higher maintenance requirements, there are many Red Angus sire choices that defy these antagonisms - actually combining positive revenue traits (Growth and Milk) with negative Expense Traits (ME). FOR THIS INDEX, THE LOWER THE NUMBER, THE BETTER!
- **Total Maternal EPD (TM)** predicts the rancher's actual observation of weaning weights of calves raised by an animal's daughters. TM includes the daughters milk EPD plus half of her genetic contribution to her calf's weaning weight EPD. The formula for TM EPD is:
TM EPD = Milk EPD + 1/2 (WW EPD)

Wait a minute!



What's a black Angus calf doing with a Red Angus FCCP tag you ask?

The FCCP was the first PVP for age and source in the US and is cleared for ANGUS genetics, red OR black! If you enroll your black Angus bulls with the Red Angus Assoc. (\$15), you can use the easiest and most economical system available to capture age and source premiums. Talk with us, or visit with the Red Angus Association for more information.

The average increase in per hundredweight premium from age and source verification is \$4. For \$1 per head for a tag, not a bad investment.

Age & Source Verification

Real Rancher Solutions:

- USDA approved for Age and Source Verification, plus Traceability to Angus Bloodlines
- Free Feeder Cattle Marketing Services
- Value-Based Marketing Options through Angus America and Meyer Natural Angus
- Available in either a Visual Tag only, or Combination: Visual Tag & RFID Tag

No Enrollment Fee



KCC & DRI
will buy 25 tags per
bull purchased for
qualifying calves.

Your Source for Guaranteed Angus!

Contact us today for
Certified Red Angus
value-added opportunities!



- Traceability to at least 50% Red Angus Bloodlines
- Source Verified to Ranch of Origin
- Group Age Verified

CERTIFIED RED ANGUS

(940) 387-3502
www.RedAngus.org



Clay smiles before Senior Prom



Chuck & Kim Knobel with Chase



Barb runs another 26.2 mi. for Team BEEF!



Joe's cowboy hat got a few looks in NYC while promoting US Premium Beef

Mary Ann & Debbie Lyons-Blythe visit with Commander (Retired) Richard Picciotto, author of the 9/11 story, Last Man Down



Mary Ann & Austin Sexten try to get the ears up (left) while Barb & Joe snap the bull photo. (below)



Joe Carpenter & Laura Cate go bird hunting

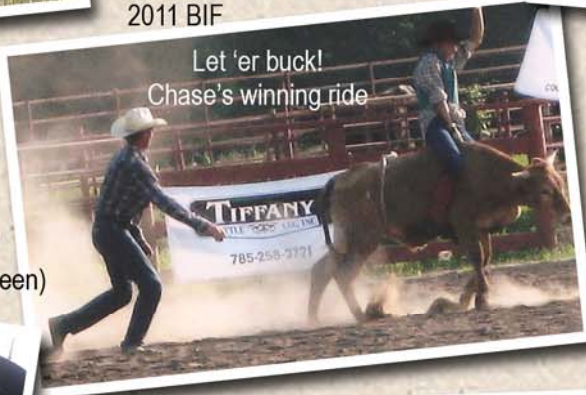
Red Angus Roundup 2011 spent the day at KCC



Cassie Knobel is named the Roy Wallace Scholarship winner at the 2011 BIF



Chief videographer Mary Ann settles in for a hard day's work under her parasol (well, it IS needed because of the glare on the screen)



Let 'er buck! Chase's winning ride

Joe & Barb & Abe were outriders for the Symphony in the Flint Hills and are shown on the hill behind the orchestra



Flint Hills Media Project
Billett School of Communication at Wichita State University

Abe's not afraid of a little mud



Yep! Somewhere in the group pictured on the Great Wall of China is Cassie Knobel

Bull customer Dan Grafel sends a photo to express his satisfaction with his purchase

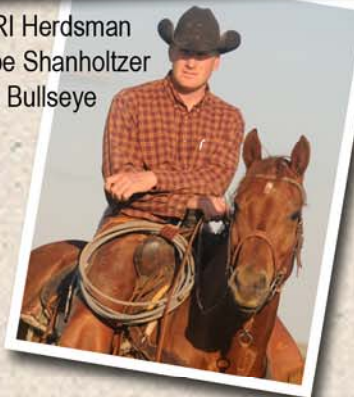


Kick bull



Laura Carpenter shows DRI EmmaLea X202 MIF at the National Jr. Angus Show in PA while Anna serves as her assistant

DRI Herdsman Abe Shanholtzer on Bullseye



Mary Ann Knobel makes a point to spellbound RA Juniors during the Roundup stop at KCC

The 2 families enjoy a vacation at a friend's Wyoming ranch

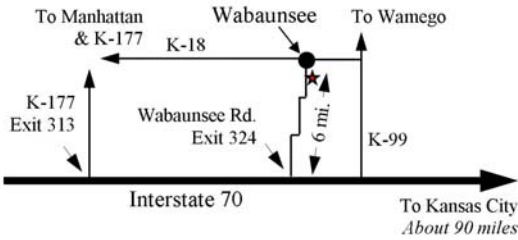


Clay Knobel & Allie Blythe deliver the co-Valedictorian speech at the 2011 White City commencement



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*2011 Production Sale: Friday, Nov. 4, 2011 @ 12:30 pm CST
At the Downey Ranch in Wabaunsee, KS (12 mi. SE of Manhattan, KS on K-18)*

