



PHOTO BY RYLEE BARBER

Brands can mean a major discount in the value of hides.

by Sara Gugelmeyer

Branding calves isn't just a way of identifying cattle: it's a Western tradition. However, National Beef staff members are asking beef producers to ponder how a brand can affect the quality of a hide. In 2009, National Beef Packing Co. LLC, one of the packers that harvests cattle for the Certified Hereford Beef (CHB®) program, purchased a prime tanning facility in St. Joseph, Mo.

The hides are prepared at National Beef packing facilities in Dodge City or Liberal, Kan., or Brawley, Calif., and shipped to St. Joseph for tanning. The facility produces "wet blue" leathers, which are so named because they are tanned in a chrome tanning process that results in a light blue color.

National Beef Vice President of Cattle Procurement Art Wagner explains that before hides are tanned, they are graded a No. 1, 2 or 3, based on quality. The majority of this grading is dependent on brands on the hide.

"Hides with moderate brands result in a 'pullout' or tear and are normally discounted 10%," he explains. "Hides with large or multiple brands often result in multiple or large pullouts which automatically become No. 3 (lowest quality grade) hides."

Naturally, the market and grade determine the price paid for the hide after it is tanned. "In today's market, a No. 2 hide discounted 10% would be about a \$7 to \$8 discount per hide," Wagner says. "The discount for a No. 3 hide because of branding or pullout/tear issues would run in the \$25 to \$30 range per hide versus the going market rate."

Robert Hein, general manger of the St. Joseph hide plant, explains that in the hide industry, the square footage of usable area is most important. Therefore, Europeans get more for their hides because their cattle are not branded. "There are new

technologies to identify cattle," Hein says. "You devalue the hides each time you brand an animal."

Both Hein and Wagner admit that they are not expecting all Americans to stop branding their calves. However, if branding is necessary, they encourage cattlemen to consider this issue. Wagner says these things are important to consider because they are real challenges but can be improved over time:

Brand location — eliminate the side and rib, put less on the shoulder, increase usage on the high hip or near the tailhead.

Brand size — reduce to minimum level for reasonable and accurate identification.

Depth of brand — provide improved training on how to actually brand, not burn, and hold for an extended period of time.

Type of brand — use less hot iron and increase use of alternative branding and other identification methods."

Wagner acknowledges that at this point in the marketplace, there is no discount system for brands on a live cattle basis but says he has walked away from a pen of cattle with excessive brands. And branding does affect the U.S. beef industry as a whole.

"According to the 2005 National Beef Quality Audit, total lost opportunity to the industry due to hides and branding is a negative 98 cents per head, a 29 cent per head improvement from the 2000 National Beef Quality Audit," Wagner explains. "With 2009 federally inspected steer/heifer slaughter of 26.1 million head, this would equate to an industry lost opportunity of nearly \$26 million dollars. Much could be saved to the industry via either alternative identification methods or, at the minimum, relocating large rib brands to another location." **HW**

Hiding Value



If branding is necessary this is the best place from a hide value standpoint, high on the hip near the tailhead.



This steer has good brand placement of the 7= brand, but the additional shoulder and rib brands will result in a major hide discount.



Brands should be as small as possible for reasonable identification, and Wagner suggests using alternative methods for ID numbers such as ear tags or electronic identification.