

Schiefelbein Farms

BSE Frustration by Tim Schiefelbein

Picture of
Tim goes
here

The recent finding of BSE in a downer dairy cow imported from Canada is a little frustrating to any beef producer. It is especially frustrating when it is only a theory that the prions that cause the degradation in the brain of the cow can be passed to humans. Regardless of the facts and true science, this incident has—at least initially—dropped the price of cattle by 15%. Growing up, I was always taught to look at an event like this from an optimistic viewpoint. Even after a scare like this, there are always bright spots.

Bright spot 1: Export Markets

The main reason the value of beef dropped was because beef exports were cut off from every major country. Beef exports account for about 15% of beef sales. Most importantly, the export markets buy cuts we traditionally don't use (tongue, etc.)—which caused the “double whammy” effect: can't sell them abroad and can't sell them at home. For example, a beef tongue was bringing \$4.00 per pound prior to the BSE incident, but was quickly reduced to \$1.00 per pound. So where is the bright spot? All export pipelines have very low inventories and when the borders reopen these prices will rebound as quickly as they dropped. What if the borders don't reopen? This is very unlikely,

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FAST FACTS

About the Farm

- Established in 1955 by Frank & Frosty
- Run 650 registered Angus cows
- Feed several thousand cattle annually
- Own 4000 acres of grass and crops

A Family Operation

- Frank & Frosty
- 9 sons, 7 daughters-in-law & 28 grandchildren

Industry Focused

- Frank Jr. & Frank III are involved in the beef industry on both a national and state level
- Tim manages value-based procurement for Swift and Company the nation's 3rd largest packer
- Procure cattle for Meyer Natural Angus



Females Currently Available

- 250 purebred Angus Heifers
- 50 Black Balancer Heifers

Spring 2004 Bull Sale

- Faith Sale - Saturday, March 20

For more information, contact:



Schiefelbein Farms

74208360th Street

Kimball, MN 55353

320-398-6952 or 6953 (fax)

email: info@schiefelbeinfarms.com

web: www.schiefelbeinfarms.com

“Tough times come and go, but tough cattlemen hang around forever”



A Genetic Opportunity... elite ET calves offered at 2004 bull sale

This year you will have the opportunity to purchase the most elite genetics ever offered at our bull sales! We flushed "Lizzy 525" the most powerful and impressive female ever produced on our farm. Her moderate size yet impressive phenotype combined with a production record that speaks for itself convinced us to mass produce progeny of this unique cow. "Lizzy 525", an EXT daughter, has produced 6 natural calves with an average weaning ratio of 115 and an average yearling ratio of 111!

This year's sale will feature 7 flush brothers from the famous "Lizzy 525"... five (5) Sitz Alliance sons and two (2) SAF Focus full sibs. These impressive ET bulls will be offered to the highest bidder with an option to own the entire Lizzy bull battery.

Picture of 525 goes here

Frosty EXT "Lizzy" 525 pictured at 8 years old

Buy-back Program Expands

Our unique Customer Buy-back program continued to grow with the purchase of a 5 year-old confinement dairy facility in late spring of 2003. Bob Schiefelbein coordinated the first-of-its kind barn make-over, converting the 300 head free-stall dairy barn to a cattle feeding facility with a capacity of nearly 500 head along with significant input and assistance from the rest of the family.

The newly renovated feeding facility is located just South of Kimball near our main farm and gives our buy-back program added flexibility and provides a corn outlet for our farming enterprises.

Thus far, the cattle have done extremely well in our first year. We have lost only one head and the cattle continue to post impressive gains in this climate controlled setting.



Sam, Frank IV, Dan & Bob unloaded the Wetz & Mann steers on October 25, 2003

Vaccination Timing: It Matters!

The effectiveness of vaccines can be highly dependent on timing. Two of the more important factors involved in time are: 1. Time to exposure; 2. Time stress occurs

Time to Exposure:

Following the administration of a vaccine a calf requires time to build an optimum resistance to a particular disease. Depending on the vaccine this may take hours to weeks. When exposure to disease occurs at weaning then the optimum time to vaccinate calves is *preweaning*. One Shot and Bovi-Shield Gold FP can be given to calves nursing cows when used according to label.

Time Stress Occurs:

A calf that is experiencing stress is not able to develop an optimum immunity. When giving a calf a vaccine at weaning, a period of stress, the calf's immunity response is not as effective compared to giving the vaccine *preweaning*.

We purchase fed cattle for the Meyer Natural Angus program... specifications include: 50% Angus, no antibiotics, no implants, no ionophores. Contact us at 320-398-6511 if you have cattle that qualify.

You Buy, We Bid!

At Schiefelbein Farms, we don't just sell bulls!

We ensure our customers' success by actively purchasing calves sired by our bulls. Each time our customers have calves for sale, we're either in the seats or on the phone: protecting, bidding or buying our customers' calves -- helping them bring top dollar.

Over the past 10 years, we've been bidding on and buying calves sired from our bulls. In 2003 alone, we bid on 10,000 head of customer calves -- purchasing 1/3 of them. 100% of our customers received a premium... and most topped the market.

Contact us today for more information on our unique program and our upcoming bull sale.

A Sample of the Bulls Selling (complete listing available at www.schiefelbeinfarms.com)

Tag	Bdate	Sire	----- Angus Based EPDs -----								Dollar Value Indices			
			BW	AWW	BW	WW	Milk	YW	SC	Marb	Rib	\$Feedlot	\$Grid	\$Beef
33	2/21/03	O C C EMBLAZON 854E plus 9 more Emblazon sons sell!	76	676	1.2	41	16	72	0.25	0.05	0.12	15.14	16.14	22.98
183	2/25/03	S S Traveler 6807 T510 plus 9 more T510 sons sell!	90	730	2.6	45	16	81	-0.02	0.12	0.02	22.03	16.89	27.22
243	2/26/03	Rito 6I6 of 4B20 6807 plus 18 more 6I6 sons sell!	82	760	1.8	42	19	78	-0.04	0.16	0.11	20.32	18.95	32.06
333	2/28/03	Frank Marriott Sky 416	92	771	3.1	42	21	75	0.28	-0.11	0.05	17.54	4.22	14.73
353	3/1/03	SITZ ALLIANCE 6595 plus 33 more Sitz Alliance sons sell!	88	731	3.1	48	24	83	1.15	-0.01	0.00	22.82	3.74	13.67
393	3/1/03	A A R REALLY WINDY 1205 plus 5 more Really Windy sons sell!	94	735	3.0	44	22	80	0.74	-0.02	0.05	21.46	6.14	23.01
573	3/5/03	H A R B CINCHA 829 plus 4 more Cincha sons sell!	78	694	0.6	43	23	66	0.19			9.01		
593	3/5/03	S S Traveler 6807 T510	83	714	1.5	40	14	74	-0.10	0.06	0.04	17.33	15.55	23.03
773	3/9/03	HIGH VALLEY 4C6 AMBUSH	93	767	3.2	44	27	80	0.48	0.06	-0.08	21.46	7.25	15.49
1133	3/13/03	SITZ ALLIANCE 6595	74	732	2.7	35	28	65	0.75	0.10	0.01	10.90	11.40	20.60
1333	3/15/03	S A F 598 BANDO 5175 plus 6 more 5175 sons sell!	79	707	3.7	42	24	74	0.47	0.31	0.13	16.62	18.42	39.07
2213	3/21/03	Rito 6I6 of 4B20 6807	91	722	1.3	46	17	75	-0.13	0.03	0.18	16.11	13.27	27.63
2543	3/22/03	CK BRONCO 411G (GV) plus 25 more Balancers sell!	88	711	4.0	45	13	68				Gelbvieh Black Balancer		
4033	3/31/03	GW LUCKY BREAK 047G (SM)	94	643	4.2	32	15	43				Simmental Black Balancer		

Clip and Mail Today:

Please send me more information on: Faith Bull Sale

Private Treaty Bulls

Private Treaty Heifers



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Address _____

City _____ State _____ Zip _____

Phone _____ Email _____

BSE Frustration *(Continued from Page 1)*

since the U.S supplies 60% of the beef consumed by Japan and Korea. Australia, the other major exporter of beef to these countries, cannot fill the gap because they are in a major drought. Also, the major Japanese beef importers carry political clout and won't let their restaurants go without this valuable commodity. An early April opening to Japan and Korea are expected, while Mexico should open even sooner.

Bright Spot 2: Domestic Consumption

According to a recent survey, even though 97% of consumers are aware of BSE, 89% said they were still extremely confident in the safety of beef. The domestic market held up much better than expected after the announcement of BSE and the ensuing press coverage. Both McDonalds and Wendys actually reported better than average sales the week after BSE was found. This also was reflected in the cull cow price (cull cows are the primary source of fast food hamburger), which as of this writing was only \$.05/pound below prior market prices.

Bright Spot 3: New USDA rules

The USDA banned the slaughter of downers (animals that cannot get up or walk), which is less than 1% of the cow slaughter and virtually none of the fed cattle slaughter. Most of these downers are dairy cows and have no place in the food supply. Eliminating these cattle will improve quality and public perception of our product. The USDA also required that cattle over 30 months of age have the specific risk materials (items from the central nervous system) removed from their carcass and put into inedible material. This rule will force packers of fed cattle to eliminate cattle over 30

months of age from entering their plant. Although the price of heiferettes will decrease drastically, beef supply will be much more consistent. Older cattle produce beef that is tougher and more variable and have always been problematic.

Bright Spot 4: Timing

Although we all wish BSE would never have been found on U.S. soil, the timing could not have been better. We were coming off record fed cattle and feeder cattle prices, and the holiday season slowed down the initial consumer effect. Lower retail meat prices will give American consumers a bargain on beef for the first part of 2004 and should help keep beef in their diets.

The Market Returns to Fundamentals.

When this is all said and done and the borders reopen, keep in mind that the single largest driver of a market is supply. We are in the bullish part of the cattle cycle. Cow numbers decreased in 2003 to the lowest level in more than 40 years. Remember "Tough times come and go, but tough cattlemen hang around forever." That is what we intend to do; see you around the barn!

2004 Bull Sale Date

Sat. March 20

1 pm MT

Faith, SD

125 Angus Bulls

25 Black Balancer Hybrids



Schiefelbein Farms

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