



The GARD REPORT

Fall 2004

PROUD TO BE A FOUNDING MEMBER OF U.S. PREMIUM BEEF

Editor's Note: The focus of the fall issue of the GAR Report is on our customers, friends and colleagues. The headline sale takes place on Nov. 29, Pratt, Kansas. The sale offering represents several of our customers and their operations—all using GAR genetics. This year marks the third year the sale has been held in Pratt and has become THE place to purchase young, commercial Angus replacement females either sired by or bred to GAR bulls.

Also note, Winter Ranch is selling 600 bred heifers at Winter Livestock in Dodge City on November 17. Many of these heifers sell bred to GAR sires.

We are privileged to share the spotlight with our friends and colleagues in BEEF magazine's 40th Anniversary celebration of the BEEF Top 40 selection of industry leaders. Special congratulations to Steve Hunt, Jan Lyons, Roy Wallace, and Dr. Don Good and all those selected for having made a difference in the beef industry.

Once again, we thank Troy Marshall and Greg Henderson for their editorial contributions and willingness to share their insights with us.

Since 1999, GAR customers using our USPB delivery rights have received over \$1,559,600 in premiums and dividends. If you retain ownership, that's valuable marketing information!

Since 1885



If you have industry related questions or specific issues that may be addressed in *The GAR Report*, please submit to:

GARDINER ANGUS RANCH

HC 1, Box 290
Ashland, KS 67831

Henry (620) 635-2932
Fax (620) 635-2930
Greg (620) 635-2752
Mark (620) 635-2760
Garth (620) 635-2361

email: gar@ucom.net
www.gardinerangus.com

GAR-Influenced Profit Proven Commercial Angus Replacement Female Sale, November 29, Pratt, Kansas



The third Gardiner-Influenced Commercial Angus Replacement Female Sale will again be held in Pratt, Kansas, Monday, November 29, beginning at 1:00 PM.

Last year, five diverse commercial operations joined forces to present one of the most uniform offerings of Angus females to sell anywhere. The 2004 offering includes the same five operations plus four additional ranches, all Gardiner customers.

The ranches represent diverse commercial management practices. Regardless of diversity, the demands for efficiency, fertility, growth and marketability are unwavering. This year's Profit Proven group represents commercial cow-calf, stocker and feeder operations. Their genetic focus is to breed Angus cattle with the ability to perform in the pasture, gain efficiently in the feedlot and hang a high quality carcass. The ranches are all involved in value-based mar-

keting systems such as U.S. Premium Beef or other retained ownership programs.

All cattle selling are Gardiner-influenced. Regardless of end-use, the heifers are bred to genetically perform to the maximum. Many of the females are AI and safe to the AI dates. The cattle are either sired by sons of GAR sires or bred to GAR sires or sons of GAR sires.

The entire offering will sell carrying AngusSource ID tags and can be source-verified back to the ranch. Almost 80% of the offering is less than five years of age. No cows over seven years of age will sell. Complete vaccination and health details will be available sale day.

Last year's sale posted an impressive \$976 average on 1,121 head.

A detailed listing of the offering follows:

(Continued on page 2)



(Profit Proven—continued from page 1)

From Giles Ranch:

Roger Giles, 620/826-3683

- 80 heifer calves sired by sons of Precision, Triple Threat and Traveler
- 50 heifers Ald to Rito 616 and bull bred to sons of 616. Sired by sons of EXT, Triple Threat and 6807. Will begin calving 2/8/05.
- 50 3-yr-old cows Ald to Retail Product and bull bred to sons of Precision 1680. Will begin calving 1/15/05.

From Merrill Ranch:

Dee Scherich, Mgr. 620/738-4471

- 150 heifer calves sired by sons of 6807 T510, Rito 616, Precision 1680, Plowman 1627, Primitime, Bando 3451 and 1489.

From Mule Creek Ranch:

Kim Leeper, 620/248-3265

- 40 fall pairs. AI calves are sired by Retail Product. Remainder fo the calves are sired by sons of 6807.
- 80 5 to 7 yr. old cows Ald to Retail Product and bull bred to sons of 6807. Will begin calving 3/31/05.

From Irsik Ranch:

Jim Reimer, Mgr. 785/848-2211

- 50 bred heifers Ald to Precision 9296 and bull bred to sons of Precision 1680. Will calve 3/15 to 4/30/05.
- 50 6-yr.-old cows bred to sons of GAR Expectation 4915 and Grid Maker. Will calve from 4/1/05 to 5/15/05.

From XIT Ranch:

John Adams, 620/563-7532

- 25 2-yr.-old cows bred to sons and grandsons of Precision 1680. Will calve 1/20 to 3/20/05.
- 80 3 to 5-yr.-old cows bred to sons and grandsons of Precision 1680. Will calve 1/20 to 3/20/05.

GAR Expands Through Land Lease

Through a land-lease acquisition this summer, Gardiner Angus Ranch has expanded its stocking capacity. After several years of moderate to severe drought and increased demand for GAR genetics, we began to search for opportunities to increase our pasture acreage. The expansion will make an additional 20,000 acres of native pasture available for use, thus, provide greater rotational opportunities for drought recovery.

In the future, the expansion will allow Gardiner Angus Ranch to increase numbers and create additional marketing opportunities for our customers.

- 125 6-yr.-old black and black baldy cows. Blacks are bred to XIT Hereford bulls. Baldies are bred to sons of GAR Precision 1680. Will calve 1/20 to 3/20/05.

From Rex McCloy:

Rex McCloy, 806/878-2649

- 45 heifers bred to sons of 616 and sired by GAR Expectation, Retail Product, Predestined and Yield Grade. Will begin calving the last week of Jan.

From JO Cattle Co.:

Bob, Larry & Matt Jones, 620/277-2358

- 45 heifers bred to GAR sons of New Design 1407. Will calve 3/7 to 5/8/05. Heifers have been ultrasounded.

From K Ranch:

**Mike Kraus, 620/276-2166;
Dennis Kleysteuber, 620/276-6218**

- 110 bred heifers Ald to Precision 9296 and bull bred to sons of T510. 90% of the heifers are safe to AI dates.

Mike McCarty:

Mike McCarty, 620/635-2340

- 40 2 to 6-yr.-old cows Ald to Pinnacle, Everest and Consistence. Bull bred to sons of 616, Focus and Precision. Will calve for 60 days beginning 2/18/05.

If you are in the market for commercial females with genetic potential to produce offspring for any value-based program, we encourage you to join us November 29 in Pratt, Kansas.

U.S. Premium Beef Converts to LLC Structure

Shareholders of U.S. Premium Beef, Ltd. have voted to approve the conversion of USPB from a Kansas cooperative to a Delaware Limited Liability Company (LLC) effective with the beginning of the company's 2005 fiscal year on August 29, 2004. In light of shareholder approval of the conversion, the company will proceed with the necessary state filings to complete the restructuring.

"The LLC structure is a business platform that better positions U.S. Premium Beef to compete in a very dynamic industry," Steve Hunt, USPB CEO, said in announcing the conversion. "Our philosophy of financially rewarding producers who market high quality grading cattle through our company will not change," Hunt added. "Under the LLC structure our unitholders, as well as producers who lease units to deliver cattle, will have the same opportunity to market their cattle through the company's value-based marketing system as before."

The LLC structure creates Class A and Class B units. The Class A units will carry delivery rights and obligations like USPB shares did under the cooperative structure. Class B units

GAR Continues to Offer Customer Rebate for AngusSource Enrollment

Gardiner Angus Ranch continues to offer an AngusSource rebate for all commercial customers. For each bull purchased from Gardiner Angus Ranch in the past two years, we will offer 25 AngusSource tags/enrollments. The tags should be used for calves sired by Gardiner bulls and tags must be purchased and applied in 2004. The tags are \$1.00 each and Gardiner Angus Ranch will rebate the cost for each qualifying tag. To participate in the AngusSource program, commercial customers must first complete the Beef Improvement Records enrollment form available from the American Angus Association or online at www.angussource.com. Please allow two weeks for tag orders to be processed and shipped.

After tags have been ordered, fax or mail a copy of the AAA receipt/invoice (you will receive this from the AAA office a few days after your order is processed) to Gardiner Angus Ranch. If you are also using bulls not purchased from our ranch, please indicate the total number of tags ordered for GAR-sired calves only. We will send you a check for those tags.

are "investor" units with no delivery rights. The restructuring will allow both beef producers who want to guarantee market access to deliver cattle and other non-producer investors to own units in U.S. Premium Beef, LLC.

U.S. Premium Beef, Ltd. was organized as a Kansas cooperative in 1996. Today it is the majority owner of the nation's fourth largest beef processor, National Beef Packing Co., LLC, (NBP) which processes approximately 10% of the U.S. fed beef supply at its plants in Liberal and Dodge City, KS. More than 1,900 producers from 36 states have joined USPB to market cattle on the company's high quality grid. Beef products from USPB member cattle are marketed under numerous brand names including National Black Angus Beef™, Black Canyon® Angus Beef, Certified Premium Beef™, Naturewell™ Natural Beef, Certified Angus Beef®, Certified Angus Beef® Prime and Certified Hereford Beef®. People who are interested in learning more about USPB should visit the company's homepage at www.uspremiumbeef.com.

1st Annual GAR Fall Bull Sale Set For October 7, 2005 at the Ranch



Responding to customers' requests and increased demand for GAR genetics, the decision has been made to add a fall bull sale to the Gardiner Angus Ranch marketing program. The sale has been added to better serve our purebred and commercial fall calving customers.

Approximately 250 bulls will be offered representing the same genetic foundation as the bulls offered in our spring sales. All bulls will be fed for 85 days at Beefland Feedyard and Triangle H Feedyard, Garden City, KS. Just like the bulls in our spring sale, the entire offering will be sired by high accuracy AI sires with the majority being E.T. calves.

The entire offering will sell backed by the same reliable Gardiner Angus Ranch breeding guarantee and the same "repeat buyer" policy will be available for those customers making purchases in our 2004 sale.

Complete information regarding the sale offering will be available in the coming months. We encourage you to mark October 7, 2005, on your calendar and join us at Gardiner Angus Ranch for this inaugural event.

Beef Production vs. the SUV

—reprinted with permission from *Drovers Journal*, Greg Henderson, October, 2004

Prices for crude oil crossed the \$50 per barrel threshold late last month, raising fears that America's economy will sputter and that pricier oil could lead to inflation. For agriculture, higher energy prices mean higher costs of production.

According to the U.S. Department of Energy, America consumes 7.3 billion barrels of oil per year. That means with less than 5 percent of the world's population, 25 percent of the world's annual oil consumption occurs in the U.S.

Energy, and especially oil energy, drives the world's economy. Americans may use a lot of oil, but we also produce a lot with that oil. For instance, the World Bank and the U.S. Department of Energy say that America's gross domestic product was \$10.8 trillion in 2003. Given the 7.3 billion barrels of oil we used, that's \$1,488 in GDP for every barrel consumed. So, on a dollar for dollar basis, America is producing \$1,488 in goods and services for every \$50 of crude oil purchased.

Those numbers may sound good, but of the world's 10 largest economies, six generate more GDP per barrel of oil than the U.S. The United Kingdom is first on the list, producing \$2859 in GDP for every barrel of oil used.

Agriculture has often been criticized for the amount of oil it uses, but the criticism is often exaggerated. For instance, the June 2004 issue of *National Geographic* contains a staged photo of

(Continued on page 6)

Angus Business Experiences Growth in Fiscal 2004

The American Angus Association experienced significant growth in registrations, transfers and memberships in fiscal 2004, which ended September 30. The Association recorded 298,770 registrations, the most since 1975.

"Right now is a great time to be in the Angus business," says John Crouch, executive vice president of the American Angus Association. "As the demand for Angus genetics, not just black-hided cattle, has grown our membership has responded. They have registered and transferred more Angus cattle."

Registrations were up more than 6 percent from the previous year, with 298,770 registrations processed. Transfers, which represent the sales of cattle to new owners, also increased with a total of 181,759, up more than 9 percent from a year ago.

The number of regular members grew 12 percent, with 3,266 adults joining. New junior memberships remained steady at 1,384.

Reports of Angus cattle sales showed growth as well. Consignment, production and dispersion sales attended by Association

regional managers showed average prices of bulls at \$2,707, females at \$2,636 and an overall average of \$2,677.

Angus breeders continue to use Angus Herd Improvement Records (AHIR) to keep performance records in order to focus on genetic improvement. A 2-percent increase in participation was posted with 8,441 herds submitting just more than 741,000 records. Those records include 297,330 birth, 294,431 weaning and 149,272 yearling weights.

Sales of *Certified Angus Beef*[®] product exceeded half a billion pounds for the fifth consecutive year. Annual sales of 507 million pounds reflect a decrease in sales for the first time in years. Of the total pounds sold, retail licensees sold a projected 276 million pounds, while food service sold a projected 160 million pounds.

Jim Riemann, Certified Angus Beef LLC (CAB) president, highlighted the brand's success in a difficult market, made possible by following key principles of brand building. "We have faced challenges we never dreamed of,"

he said, pointing to BSE, the closing of international borders, high beef prices and a shortage of cattle qualifying for the brand. "In light of these challenges, the keys to successful branding have held true and contributed to success for our brand partners," Riemann said. "It's about product, people and integrity."

Nearly 12 million head of cattle were visually identified as being eligible for the CAB program. Of those, 1.86 million met *Certified Angus Beef*[®] product specifications, for a 15.6 percent acceptance rate.

The American Angus Association is the world's largest beef breed organization, with headquarters in St. Joseph, Mo. The not-for-profit company and its subsidiaries, Certified Angus Beef LLC, and Angus Productions Inc., and its affiliate, the Angus Foundation, provide programs and services for its members and their customers, while promoting the Angus breed and supporting education, youth and research. For more information about the Association, go to www.angus.org.

Balancing Act—Are Producers Placing Too Much Emphasis on Selection for Carcass Merit?

—Reprinted with permission, Troy Marshall

The debate continues over whether too many cow-calf producers are placing too much emphasis on genetic selection for carcass merit. Certainly more producers are paying attention to carcass traits, hoping to take advantage of grid marketing programs that reward desirable end-product characteristics. Market analysts say nearly 50 percent of fed cattle are now sold through value-based pricing arrangements. Some observers predict the count could increase to 80 percent by the end of the decade.

In their quest for carcass premiums, are some producers neglecting other economically important traits? Reproduction and efficient, early growth are factors that have the greatest collective impact on profitability in cow-calf herds. Those come first and the hanging of a desirable carcass is the last thing an animal has to do.

Reproduction has long been considered the most economically important consideration. Twenty-five years ago, many industry experts agreed reproduction was 10 times more important than growth, and growth was twice as important as carcass merit. However, Michigan State University Animal Scientist Harlan Ritchie says more recent analyses suggest the relative economic value (REV) of these three trait categories has changed.

For producers marketing calves at weaning time, the REV ratio may be 2:1:1, while the three categories may be of nearly equal importance to producers that retain ownership of their calves and market fed cattle on a grid. According to Ritchie, the recent estimates suggest that increased selection emphasis on car-

cass merit can be justified today, compared to previous decades.

Unchanged is the fact that extreme selection for certain traits may have an antagonistic effect on other important traits. For example, long-term selection for retail product yield can have negative effects such as increased calving difficulty, delayed sexual maturity, reduced fertility and increased mature weight. Research has also shown how intense selection for marbling may be correlated with increased external carcass fat and decreased percent retail product. Intense selection for more muscling and less external fat can have a negative impact on marbling, while increasing rib-eye area beyond industry specifications.

Applying heavy selection pressure for one or a few traits, while neglecting others, won't work. According to Ritchie, genetic selection is a balancing act, where producers must meet the demands of their production environment and the marketplace.

Kansas seedstock breeder Mark Gardiner agrees, but he believes the process of genetic selection is easier today than any time in history. The reason is because producers have better tools, in the form of expected progeny difference (EPD) values.

"Yes, there are antagonistic traits," says Gardiner. "In general, higher growth cattle tend to have larger birth weights and a larger mature size because of the positive correlation among growth traits. However, when cattle that defied these correlations were identified, it became possible (using EPDs) to select them and to change the population.

Producers are paid by the pound, adds Gardiner, so the goal is to produce pounds in the correct package. It is possible to select against birth weight and large mature size, while selecting for rapid, efficient growth.

Scientific evidence shows minimal correlation between marbling and percent retail product, so selection for both quality and red meat yield can be made simultaneously. And selection pressure for carcass merit can be applied without jeopardizing fertility or fleshing ability of females, states Gardiner.

He reminds producers that reproduction remains the number one performance trait, but fertility is of low heritability. Nutritional differences between neighboring operations may affect cow herd fertility more than differences in genetics. Therefore, Gardiner places heavy emphasis on fertility as a threshold trait. In other words, he advises elimination of cows that do not fit the environment and are unable to conceive within a restricted breeding season.

Gardiner sees no reason that producers cannot make genetic improvement in growth and carcass merit, while maintaining a good fit with the environment. The key is to keep selection for all economically important traits in balance. Single trait selection never works, he says. Over time, balanced trait selection always works.

"We have the tools to do what we want. There is no excuse not to design cattle that do it all," states Gardiner. "And I don't think we can emphasize carcass traits too much, as long as they aren't the only traits we emphasize."

WINTER RANCH

COMMERCIAL FEMALE SALE

NOVEMBER 17, 2004

600 BRED HEIFERS SELL • 12 NOON

WINTER LIVESTOCK AUCTION

DODGE CITY, KANSAS

2004 SIRES

GARDINER ANGUS • POLLARD ANGUS FARMS • L/K ANGUS

CONTACT BRIAN WINTER • (620) 225-4159

WINTER RANCH BULLS	PRODUCTION EPDS							CARCASS EPDS			ULTRASOUND COMPOSITION EPDS				
	BW	WW	M	YW	YH	SC	CW	Marb	RE	Fat	%RP	%IMF	RF	Fat	%RP
Gardiner Bull Avg	0.27	38	19	79	0.13	-0.13	3.7	0.19	0.165	-.00	0.21	0.13	0.13	.002	.06
Pollard Bull Avg	1.07	36	20	73	0.43	-0.08	-0.22	0.25	0.15	-.01	0.34	0.17	0.15	.006	.07

Colleagues Make BEEF Magazine's "Top 40" Industry Leaders



Steve Hunt, CEO,
U.S. Premium Beef



Henry Gardiner
Gardiner Angus Ranch



Dr. Don Good, Head of Animal
Science, KSU (retired)



Jan Lyons, President
National Cattleman's Beef Assoc.



Roy Wallace, VP of Beef Programs
Select Sires

Editor's Note: The following is reprinted with permission from the October issue of BEEF magazine. We extend our congratulations to Steve Hunt, CEO, U.S. Premium Beef, Jan Lyons, President, NCBA, Dr. Don Good, and Henry Gardiner for their inclusion in this prestigious list of beef industry leaders.

All of us have mentors, heroes and peers who have made our lives richer or more directed. Similarly, this industry is full of innovators, scientists, leaders and visionaries—individuals who have moved beyond the pack to improve the efficiency of production methods, effect new marketing tools, raise the quality of the beef end product and push forward the boundaries of science.

To celebrate this magazine's 40th anniversary, *BEEF* editorial staff wanted to recognize some of the folks who have contributed to building today's dynamic and exciting beef industry. The following "*BEEF* Top 40" listing is populated with individuals all nominated by *BEEF* magazine readers who meet the above criteria.

We received more than 100 nominations of individuals or teams that readers believed worthy of this recognition. The nominations were forwarded to a panel of three independent judges who collectively compiled a list of those

they felt most worthy of the *BEEF* Top 40 designation.

The bios of these beef industry giants are not a ranking. And, while *BEEF* is specifically honoring this group, it does not lessen the contributions of others — both nominated and not nominated — over the years. Countless folks not mentioned here also deserve to be applauded for their hard work and determination to make this beef

business successful.

We invite you to celebrate *BEEF*'s 40th anniversary with us as we salute the *BEEF* Top 40.

Steve Hunt, CEO of U.S. Premium Beef (USPB), Kansas City, MO, was the leading influence in creating the only producer-owned beef marketing company in the U.S. The philosophy behind USPB, which was started in 1997, is to reward producers for producing better beef products by providing economic incentives to its members.

The concept for USPB was created during a period of strife in the industry. The beef industry had been in a rut with a "one price fits all" average pricing system. The catalyst for the value-based marketing system was the loss of market share to other proteins. Hunt created and facilitated the marketing system that actually turned the trend around and helped the beef industry regain market share.

Through Hunt's vision, work and financial management, USPB has grown from owning a small part of a national packing plant to owning the majority of National Beef Packing, the fourth-largest U.S. packer. In addition, USPB has returned more than \$125 million in premiums and dividends to producer/members.

Henry Gardiner has a simple vision for the beef industry — to keep beef the "center of the plate" for consumers by continuing to improve production from pasture to plate.

Gardiner, a third-generation operator of Gardiner Angus Ranch, Ashland, KS, was a visionary in the use of genetic information and technologies in his herd. His breeding system uses artificial insemination, embryo transfer and ultrasound to improve his herd.

After the American Angus Association (AAA) initiated its Sire Evaluation Report in 1974, Gardiner only used progeny-proven Angus sires, elevating his herd to its elite status. His vision and determination helped improve Angus cattle genetics.

Other notable achievements include being the first to adopt a large-scale carcass data collection program. He's a founding member of U.S. Premium Beef, which was started on the belief of producer accountability and rewarding quality. He has also been a leader in AAA and BIF.

Don Good has been a key figure for more than 40 years in the advancement of the livestock industry and animal sciences. He is recognized nationwide for his contributions as a teacher, livestock judge, researcher and administrator.

Good began teaching at Kansas State University (KSU) in 1947 and coached the livestock judging team, winning 14 major contests in 18 years. Good is also a respected livestock judge.

He played an important role in the industry's change to the modern beef cattle type when as cattle judge, in 1969, he selected an Angus x Charolais cross steer for grand champion at the International in Chicago. This was a landmark event in the acceptance of crossbreeding.

A strong advocate for matching judging criteria with measurable results, he initiated harvest of top-placing cattle, hogs and sheep in the Kansas National Junior Livestock shows to compare the accuracy of live judging to the carcass cutout.

He became head of the animal science department at KSU in 1966, and held the position until his retirement in 1987.

Jan Lyons, Manhattan, KS, is described as one of the industry's most committed, vigilant and effective volunteer leaders. The current NCBA president, Lyons is only the second woman to fill the role.

She's been described as "velvet over steel" while facing such challenging issues as animal
(Continued on page 6)

(BEEF Top 40—continued from page 5)

ID, BSE and court fights over the beef checkoff's constitutionality.

Other volunteer assignments include serving on the Cattlemen's Beef Board (CBB), where she helped with the 1996 merger of NCA and the Beef Industry Council of the Meat Board to form NCBA.

Following her CBB appointment, Lyons chaired NCBA's Consumer Marketing Group, leading the effort to outline an initiative to enhance the value of under-utilized beef cuts. This initiative has served as a catalyst for new product development, and enhanced the value of beef carcasses.

Roy Wallace, Vice President of Beef Programs for Select Sires, has spent his life in pursuit of producing better beef cattle through improved genetics. A fierce proponent of performance testing, Wallace has served as an advisor for several breed associations in the area of sire evaluation.

A strong supporter of national sire summaries and an early adopter of structured sire evaluations, Wallace was involved with the selection of bulls with genetics for lighter birth weights, which has allowed breeders to use proven calving-ease bulls on virgin heifers. He's also worked to find better ways to breed beef cows through AI to genetically superior bulls.

Other aspects of his work include feeding progesterone to cows, a technique that evolved into the MGA programs used today.

Widely recognizable with his leather jacket and a cigar clenched between his teeth, the affable Wallace has worked with researchers at several universities to develop effective AI synchronization programs including Select-Synch, MGA-Select and CIDR-Select.

For a complete listing of the "Top 40" go to www.beef-mag.com.

(Beef Production vs. SUV—continued from page 3)

a girl holding a 4-H steer next to six barrels of oil. The caption charges, "Raising this steer has taken an agricultural investment equal to 283 gallons of oil." *National Geographic* says that would be three-quarters of a gallon per pound of beef.

Rubbish! The National Cattlemen's Beef Association responded to *National Geographic*, pointing out that Dr. Michael S. Graboski with the Colorado School of Mines estimated that all energy inputs amount to 46.6 equivalent gallons of crude oil to produce a 1,250-pound steer, or about four-hundredths of a gallon per pound.

Economists with the American Farm Bureau Federation note that Dr. Graboski's estimate is for total energy (oil equivalent). AFB economists say actual petroleum used to produce a steer is just 13.8 gallons.

Despite our grumblings over the price of oil, the world's largest economy will continue to ravenously consume energy. In fact, the price of oil has never reached a price that has deterred American consumption. Yes, industries such as agriculture have suffered from rising oil prices. But the majority of Americans seem unfazed by higher costs. Today, for instance, there are twice as many vehicles on the highways of America that there were in 1990. And the vehicle of

choice, the SUV, guzzles gas just like its predecessors in the 1970s.

So, which is more energy efficient, the SUV or beef production? We now know that it takes 13.8 gallons of crude oil to produce a 1,250-pound steer. Yielding an average of 63 percent, that steer will produce 787 pounds of beef at a production rate of .0175 gallons of crude oil per pound. The Environmental Protection Agency says that today's SUV averages about 18 miles per gallon. The petroleum industry says the refining process produces 19.6 gallons of gasoline per 42-gallon barrel of oil. (It also produces a variety of other products.) So, roughly 47 percent of a barrel of oil becomes gasoline. To determine how many gallons of gasoline are used per pound of beef, we multiply .0175 by 47 percent. The result is .0082 gallons of gasoline per pound of beef. When we multiply .0082 by 18 (mpg of the SUV) the result is .1480 miles. Or, in other words, an SUV can go about 781 feet on the amount of gasoline it takes to produce a pound of beef.

For perspective, a 10-mile commute to work consumes the same amount of oil that it takes to produce 67.6 pounds of beef, about the same as America's annual per-capita consumption of beef.



CALENDAR OF EVENTS

- Nov. 17** Winter Ranch Commercial Female Sale, Winter Livestock, Dodge City, KS
- Nov. 29** GAR-influenced Profit Proven Commercial Angus Replacement Female Sale, Pratt, KS
- April 2, 2005** Gardiner Angus Ranch 26th Annual Production Sale at the ranch near Ashland, KS
- Oct. 7, 2005** Gardiner Angus Ranch 1st Annual Fall Bull Sale at the ranch near Ashland, KS

Plan now to join us Saturday, April 2, 2005, for the Gardiner Angus Ranch 26th Annual Production Sale.



Ashland, KS 67831
HC 1, Box 290



RETURN SERVICE REQUESTED

PRSRRT STD
U.S. POSTAGE
PAID
Permit #350
Topeka, KS