

# Gill Red Angus Newsletter

FALL - 2012

## ***Hello Ranchers,***

What a difference a year makes. Last year at this time, hay was a cheap commodity and you could find it wherever you went. Over the winter they were talking about record corn acres and possible record bushels harvested. Since then, things have changed and now it is pretty much the opposite. Hay is hard to find, and instead of record bushels harvested we are looking at record prices. This seems to be one of those years you scratch your head trying to figure out what to do. The one thing in common with last year is the excellent cattle prices. From watching the video sales this summer, it looks like we are positioned to be selling calves even higher this year. Most of the guys I have visited with who have marketed their calves this summer are getting from \$12 to \$15 cwt, or \$60 to \$100 more than last year!

*Have a good Fall!*

*Thanks,  
The Gills*



## **Having to cull instead of wanting to cull**

Having to sell instead of wanting to sell is always a tough situation to be in. There are several things one can do to help determine which ones to sell, rather than just dispersing an age group, or a pasture group of cows. The first thing we recommend would be to visually appraise your cows. Before weaning, go out and sort off the ones that don't quite work. Find the cows that have the smallest and youngest calf. These girls will most likely have the youngest/smallest one again next year and we know that pounds pay the bills. Second, pick out cows that are harder doing. These are most likely the ones that will take the most feed over the winter and their daughters will most likely be harder doing as well. Third, sort out the cows that have an udder or feet that may be an issue in a year or two. Hard doing cattle and cattle with udder and feet issues are all traits that should be eliminated whether we are in a drought or not, but sometimes ranchers try to get another year out of them. Now is the time to cull hard on these.

Another cow to cull would be the ones with a poorer disposition. Fences and corrals aren't cheap, so why have a cow that is hard on them. Another animal that should be sold would be your old bulls or bulls with a poorer disposition. They will eat twice as much feed over the winter as a cow, so get rid of them early. Take their hay and keep two extra cows instead. These are just a few examples of what you can do. But remember this, cattle prices are at an all-time high today, and it looks like it will only continue in years to come. So do whatever you can to keep your cows together. If you disperse of them now, they will be more expensive to restock next year.

## Our Cowherd

We are real proud of our herd of cows. When we purchased our first Registered Red Angus cows in 1979, Dad had a goal in mind of having a high maternal herd with extra performance. We have worked real hard and feel we have just that. When we buy/use a herdsire, we make sure we see his dam and other family members if possible. This is real important to us, as some real good bulls may not have a sound made mother. Soundness is real important to us and our customers. Most of our customers either sell or keep their replacement heifers and some do both. So the last thing we want to do is have them use a bull that will take them backwards on their feet, legs, and udder structure. Another thing we pay close attention to is



the ease of flesh on the cows. We only use bulls that will add depth of rib to his daughters. If you ever get the chance to come have a ranch tour, I think you will notice that our cows are real deep bodied, very easy fleshing and sound on the feet and udder. We are proud that our cows do it on their own and stay in great shape! Every year we sell off the bottom end. We cull out about 10% but then we take another dig at them and sell another 15% as commercial bred cows that are good enough cows, but not something that we should be selling bulls out of. By doing this, we have turned a good herd of cows into a great herd of cows. We replace these cows with our group of natural raised and embryo transplant replacement heifers. This summer we turned bulls in with 180 head of registered heifers. These girls should be better than their dams, but if they aren't they will be on the sell list next year.



## You Buy, We Bid

This is a program we started nearly 10 years ago. All you need to do to qualify is become a Gill Red Angus customer. (The more loyal you are to us, the harder we will work for you.)

We believe that if we are lucky enough to be your seed stock provider, then we should do more than just sell you a bull. We also provide you with a service. All ranchers are great at ranching, but their weakest part of their business is marketing. That is where we come in. If you tell us in advance when and where you are selling your calves or yearlings, we will do all we can to locate bidders and buyers. This service has helped put several thousand extra dollars into our customer's pockets. We don't get them all bought, but we do make them all bring more. There has been several times when we have had 2 or 3 different bids on the same set of calves. If you purchased your bulls from someone who doesn't provide marketing assistance, you would be missing out on these bids. Every bid helps your pocket. So remember, let us know at least a week in advance so we can do all we can to help you out.



## In the News

Over the last few years, we have had some articles printed about us and our program. More recently, Bryan was interviewed by Kaddee Coffman and John Andras of Superior Livestock. This interview was recorded and aired on Rural TV on the show Next Stop Auction Block. If you missed it, it is now up on our website along with all of the past articles about Gill Red Angus. Check it out!

## Facebook

We use Facebook as a social media outlet to let folks know about the happenings on the ranch. We also use it to promote all of our customer's calves. After you notify us of what, when, and where you are selling, we will try to get them posted on our Facebook page. We currently have over 1200 followers, plus it is on our website for anyone and everyone to read. This is a huge form of advertising for our customers' calves. Check it out and "Like" us as well.

## The Future of the Cattle Market

Lots of “experts” make predictions every day; sometimes they are way off base and sometimes they are spot on. We are going to give you our prediction of the cattle industry. The world population is growing fast while more and more agriculture land is getting covered up by cities, roads, developments, houses, etc. at a record pace. The space for making beef and grains is becoming less and less every day. Less land and high population growth means we need to make more food on fewer acres. The beef industry has been getting more and more efficient every year. I recently read a study which shows that cattle finished in a feedyard with growth-enhancing technologies are three times more land efficient than organic or grass fed animals. Today’s feedyard production technologies make the most efficient use of farmland resources. In fact, if 1950 technology were used to raise the beef today, 165 million more acres of land would be needed. On top of that, beef production per cow has increased from about 400 pounds in the mid-1960s to 585 pounds in 2005. But that being said, can we keep up with demand? The “experts” are predicting by 2050, the world will use twice the amount of food as we are today.

The U.S. cow herd has been substantially reduced because of the drought. Thousands and thousands of cows have gone to slaughter over the last few years from areas of the country that are not at risk of losing lands to population growth. The nation’s cowherd numbers are way down, in fact the lowest numbers since the 50’s. These lands will be restocked when the grass comes back. So with the combination of the population expansion, less agriculture land available, and the drought forcing ranchers to sell off, we believe that the demand for replacement females in the near future will be WILD while the demand for the meat will truly be a supply and demand commodity and the prices will get stronger and stronger from here on out.



Red & Black Hided calves sired by Red Angus bulls - Notice the Red Angus Yellow Tag

***“You buy our bulls, we will bid on your calves!”***

## Calf Market

Wow, these calves are selling high! Lots of ranchers have been telling me the market is down. REALLY??? It may be off some compared to some early contracts and what the coffee shop said the calves will be worth this fall. But realistically ranchers are now getting more than they did a year ago. We have purchased or placed a few lots off video so far this year, and let me tell you, it isn’t easy getting them bought as the demand is strong for these good Red Angus steers and replacement heifers. Yes feed is high, but these calf prices are why we all need to figure out how we can keep them around.

When we were at the Big Horn Classic, put on by Superior Livestock at Sheridan, WY, this August, you could just feel the excitement and optimism as the buying/bidding never slowed down. What really stuck out was when a set of reputation calves came up on video. The bidding was real active and these calves always sold for a premium, especially on the heifers. It was quite common to see feeder heifers sell \$20/cwt back from the steer mates, but when a reputation set of replacements came up, look out, the phones were ringing and hands were flying. A good customer of ours, Northern Lites Ranch from NE Montana sold their heifers weighing 540 lbs for \$1.73/cwt while feeder heifer’s right before them from the same area/weight sold from \$1.45 to \$1.55/cwt. We were there bidding away and made a difference in the price they got, but never got them. If I remember right, these heifers sold for \$1.60/cwt last year. Congrats guys! Quality and reputation for doing things right is everything when it comes to selling your calves.



Clint Berry, Red Angus Commercial Marketing Manager, Bidding on our customers calves at a Superior Sale for us.

## When you sell

When you sell, wherever it is and however you do it, there are a few things you need to do beforehand. Please read below and make yourself a check list so you don't leave any money on the table.

1. Vaccinate your calves with the proper vaccinations and have proof you did it in your hands on sale day for the buyers. By vaccinating a few weeks before you sell, your calves will bring a minimum of \$8/cwt more than if they were not vaccinated.
2. Let buyers know when and where you are selling. An easy way to do this if you are a Gill Red Angus customer is to contact us before you sell. We will make calls to potential buyers and to the Red Angus office, who will then send out an email to their buyers list as well.
3. Use the Red Angus Source and Age Tag. It is only \$.99 a tag (less expensive than a traditional tag). This tag has proven to make the seller some extra money.

## Pre-weaning Shots

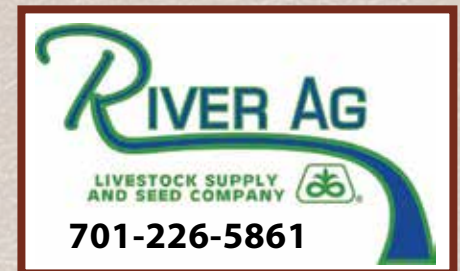
**Gill Red Angus (VAC) Vaccination Recommendations: Vaccinate your calves prior to weaning to the following: 4-way • 7-way • Pasteurella • Mycoplasma**

It only makes sense to get this done. The cost to give pre-weaning shots is hardly anything when you will get at least an \$8/cwt or \$45 return on your investment (assuming a 550 lb calf). Go buy the vaccine and vaccinate your calves; it pays!

Another perk of being a Gill Red Angus customer is you will qualify for a 3% discount on all your vet supplies through a couple different locations. DeTye vet supply out of Sturgis, SD has been working with us now for eight years. Also, out of Washburn, ND, River Ag will again give us the same discount for the second year in a row. Both DeTye and River Ag already have the least expensive vet supplies in the area, but then you add the discount and you really see the difference. Whether you want to buy from a North Dakota or a South Dakota company, make the call today and get your fall vaccinations from either company, you will be glad you did.



**All Gill customers can receive a 3% discount on all vet supplies through DeTye Vet Supply or River Ag!**



## Let us know in advance when you are selling

It is very important that you give us a couple weeks advance notice when and where you plan on selling. If you wait until the last minute, then we cannot contact as many potential buyers, plus we may have to make other arrangement to bid on your calves. We have calves selling nearly every day, sometimes in a couple different locations throughout the fall and winter. We need time for all of it. By calling us well ahead of time, it will make our lives easier and hopefully your pockets fuller.

## The Red Angus FCCP Source & Age Tag (The Yellow Tag)

As a Red Angus seed stock provider, we would rather our customers use the Red Angus tag, for a few reasons. First, the more calves that go through the program, the more industry respect there is for our breed, which in turn will open up new marketing programs for Red Hided calves. Secondly, it is by far the most affordable Source and Age program there is at only 99 cents a calf! But if you choose not to use the Red Angus tag, we strongly encourage you to use some sort of a Source and Age program, so you are eligible to receive a top price. Remember, if you don't, you will automatically eliminate all the buyers who want to feed only Source and Aged cattle. Why eliminate a potential buyer? Every extra bid is another dollar in your pocket!



## Gill Red Angus vs. Your Seed Stock Supplier

There is a lot of competition out there when it comes to selling bulls, no matter what the breed or color you have. Along with the tough competition, there is also some very good genetics being sold and used. Several different breeders out there through artificial insemination are using most of the same genetics. Even though we may not use some of the more popular lines, we have sold two bulls to ABS, one to Select Sires, are partners on two bulls with ABS, one with Accelerated Genex, and raised the dam to an up and coming star with ABS. So as you can see, good genetics are all over the place. So why should you buy a bull from Gill Red Angus over some other good seed stock supplier throughout the country? Here are a few things to consider that Gill Red Angus does that may be different than your current bull supplier:

1. Experience - Gill Red Angus has been raising registered Red Angus now for 33 years.
2. Service - Gill Red Angus puts on thousands of miles and hundreds of hours on the phone every year visiting our customers to get to know them a little better and to see if our bulls are doing what they are bred to do.
3. Quality - We have an extensive culling routine. Every Fall we sell around 100 cows that are hard to part with, but we feel our replacement heifers will take us where we are going faster.
4. Quality - Every year we flush our top quality cow families to bulls that we feel will move our program forward. We annually implant around 100 eggs.
5. Service - We either bid on or find bids for all of our customers yearlings and calves to help them earn top dollar.
6. Service - In 2011/2012 season, we bid on approximately 16,000 head and placed 45% of them.
7. Service - We deliver bulls free up to the first 300 miles.
8. Service - We mail out newsletters to help stay in touch with our customers.
9. Customer Focus - Our coming two-year-old bulls are raised to last, as they are never pushed on feed over the winter months and are summered on grass alone.
10. Variety - We sell aged advantage coming two year olds and yearling bulls.
11. Volume - We sell a large amount of bulls to fill the needs of every size commercial ranch out there.
12. Vet Supply discount - All Gill Red Angus customers qualify for discounted vet supplies.
13. Semen discount - All customers qualify for discounted semen on Gill Red Angus bulls.
14. Lifestyle - We are a family owned ranch. Gill Red Angus consists of 2 brothers and their families plus Dad and Mom. When you call and visit with someone here, you talk to someone that makes a living off this business.



Now take a look at your seed stock supplier and compare who they are and what they do for you. If you think you need a change, I invite you to look at our program. I truly believe that we have the best customer service in the industry and some of the best cattle in this great breed.

***The Gill Red Angus Customer Service Program...#1 in the Industry!***

## Our commitment to you

We, as your seedstock supplier, are committed to helping you by supplying you with the best possible product, as well as the best possible service. We spend a lot of time on the road and on the phone visiting with new and old bull customers. We want to know how our bulls are working for you, how they hold their condition, and how their offspring develops. We feel this is extremely important, as we need to understand and learn from you how to improve our genetics. We also feel it is important to visit with you all so we get to know you a little better. Another way we are committed to you is by visiting with calf buyers and feeders. We spend A LOT of time on the phone trying to generate interest, as we are committed to helping you get paid well for your calves. This has made a huge impact on the prices you are all receiving. We also formed an alliance with a couple vet supply companies. We are working with River Ag out of Washburn, ND and DeTye Vet Supply out of Sturgis, SD. Both of these companies will give you a 3% discount on all vet supplies. What a great way to save a little money. In short, we are committed to helping you make the most money possible!

## 2012 Sale Report

- 185 bulls - \$4795
- 104 head of Two year old bulls - \$5360
- 81 head of Yearling bulls - \$4070
- 93 commercial Bred Heifers - \$2031
- 87 commercial open Replacement heifers - \$1359

### Top Selling Bulls

#### Two Year Olds

- Lot 27 is a LMG Gills Wide Spread son who of had a 78 lbs birth weight and weaned off at 835 lbs and sold to Otto Red Angus from Grace City, ND for \$8750.
- Lot 3 is a son of LMG Gills Vin Diesel 7611 who weaned off at 820 lbs sold to Rodney Frickel from Atkinson, NE for \$8500.
- Lot 99 is a son of PIE Maximizer who has a 73 lbs birthweight and weaned off at 768 lbs and sold to Robert Ziebert from Plankinton, SD for \$8250.
- Lot 8 is another LMG Gills Vin Diesel 7611 son who was born with an 83 lbs birth weight and weaned off at 793 lbs and sold to Ron Opheim from Selby, SD for \$8000.

#### Yearling Bulls

- Lot 110 is a Six Mile Full Throttle son who has a 78 lbs birth weight and weaned off at 750lbs and sold to Fick Red Angus from Inman, NE for \$10,000.
- Lot 111 is a Lucht Diamond Back son who weaned off at 700 lbs and sold to Dan and Tara Hooper from Merriman, NE for \$8500.
- Lot 114 is another Lucht Diamond Back son who weaned off at 700 lbs and sold to John and Kathy Vliem, Lemmon, SD for \$8250.
- Lot 132 is a Six Mile Sakic son who had a birth weight of 84 lbs and weaned off at 821 lbs who sold to Isaac Graesser, from Colome, SD for \$8250.

#### Commercial Bred Heifers

Two groups of 5 both sold for \$2400 with one package selling to Matt Johannes of Riverdale, ND and the other package selling to Bill Anderson of Montpieler, ND.

#### Volume Buyers were:

Claymore Ranch of McLaughlin, SD with 9 bulls and 48 Bred heifers  
Devin & Loren Roseland of Seneca, SD with 8 bulls  
Sonny Sandquist of Trail City, SD with 7 bulls  
Bruce Ranch of Hayes, SD with 6 bulls



## 2011 Red Angus Influence ONLY Calf Sale

In October 2011, Mobridge Livestock and Gill Red Angus put on the first ever Red Angus Influence ONLY calf sale in the country. There were around 4000 head sold that day and it really rang the bell and caught the attention from people all across the country. When we began this sale we had some of the older calf buyers and ranchers tell us it will never work and some were quite negative about it, but we knew better. On sale day, buyers/feeders from all over that don't usually do business at Mobridge Livestock were either on hand, on the phone, or left orders, along with most of the steady Mobridge Livestock calf buyers. We had orders as well and placed 463 calves into feedlots, were contending on 380 other calves and bid on many more. In addition, we personally got 2 other feeders in the seats who purchased 387 more calves. The steers that day outsold the average of all breeds from all the other SD barns that week while the heifers were the ones that were talked about all across the country. Most of these girls sold as replacement heifers and outsold the steers by \$20/cwt. It truly was fun to see the Red Angus breed and our customers get the respect they deserve!



## 2012 Red Angus Influence ONLY Calf Sale

This October we plan on having this exciting sale again. We aren't sure how many calves will be in the sale this year, but if the weather holds out we expect there to be more than last year. At the time of our bull sale this past spring, there were already 1200 head consigned. We have visited with other ranchers who don't normally sell at Mobridge Livestock and they plan on selling there as well. It should be very exciting. I encourage you to come and witness this great event. It will be held on Tuesday, October 23rd. If you have any questions, want to consign, or would like to place an order or two, please give us or the barn a call. Check out the consignments a couple weeks in advance at [www.mobridgelivestock.com](http://www.mobridgelivestock.com).



Be sure to check out our website [www.gillredangus.com](http://www.gillredangus.com) for the latest information and photos.

## Buy your bulls in bulk on February 19, 2013

Selling: 300 head

- 100 Two Year Old bulls
- 100 Yearling bulls
- 100 Commercial Replacement Heifers (consigned by bull customers)

We have taken our herd to the next level and now have one of the biggest Red Angus bull sales in the country. In fact, you can probably count on one hand the number of Red Angus sales that are larger than ours. We don't only offer bulls in bulk, but the bulls we sell are the top end as we cull hard on the bulls and their dams all year long. We make sure the bulls we sell are all real sound, have eye appeal, and have the body structure it takes to make a good feeder calf and replacement heifer. These bulls are made for big country. The coming two-year olds are all raised with soundness in mind. The first winter they are fed to gain 2 lbs a day and then they are turned on grass for the summer months of May through October. We put out some protein for them this summer in August as the grass got quite dry. They will come into the lot in October and get put on a high roughage ration with some distillers grains for energy and protein. The yearling bulls are weaned around Sept. 15 and put in the lot. They are fed to gain between 2.5 and 3 lbs a day. We want them to weigh around 1000 lbs come sale day. We do not get our bulls fat, but make sure they grow to their potential. Whether you need 1 bull or a load of them, we are the location who sells high quality in bulk, both yearling and 2 year old bulls. With the culling we do in both the cow herd and the bull crop, we promise you will not be disappointed in the quality we offer for sale.



### Auction Format – Video Sale – What is it?

Again this year, we will have all the bulls and heifers where we always do on sale day, which is in the pens for you to view. But inside the barn will be several TV's and instead of a sale ring there will be either a projector or a couple big screen TV's. All the bulls will be on video and when it is their turn to sell, their video will come up on the TV's. This worked so well for us last year. No bulls got nervous in the ring, no sawdust got thrown around, the doors stayed shut to keep the warm air in the barn and it saved space for more seating as it takes less room for TV's than it does for a big ring. With having a video sale, everyone can sit inside the heated barn and enjoy the sale.





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***“You buy our bulls, we will bid on your calves!”***



## The Gill Red Angus Customer Marketing Program

Something we offer that most of our competition does not is a Customer Buy Back Program. Our slogan is “You buy our bulls and we will bid on your calves.” This has really helped our customers on selling day. We ran some calves up as much as \$5 per hundred weight. You add that up on a load of 600-pound steers, and you made an extra \$2,500 just by being our customer. Compare that to our sale average the last couple years --- that’s nearly a free bull! How can you go wrong?

***Here is how it works:***

- ✓ First you must be a Gill Red Angus customer. At marketing time, contact Gill Red Angus with the marketing option you wish to pursue:
  - *Complete Retained Ownership*
  - *Partial/Partnership Retained Ownership*
  - *Livestock Auction or Off-the-Farm Marketing* - Sell 100% of your calves off-the-farm or at the stockyards and a Gill staff member will be there to place a bid on them for you.
  - *Replacement Heifer Marketing* - Market your top-quality open and bred heifers through our annual production sale in February. (We have spent thousands of dollars on advertising over the years. Use our past advertising and known name to market your replacement females.) Call for more information.
  - *Discounted semen and vet supplies available* to all customers.
- ✓ When possible, we will work with our customers to help form co-mingled loads of calves.
- ✓ Upon harvest, if possible, Gill Red Angus will prepare a report, complete with feed yard and harvest data, for your use. The Gill staff will then schedule a meeting with you to discuss ways we can help add profit to your bottom line.
- ✓ We are also available for consultations regarding breeding, replacement heifer procurement, and all marketing options. We will help you in any way we can to make your bottom dollar grow.

