



RIPPE GELBVIEWH



TAKING PRIDE IN OUR CUSTOMER'S SUCCESS

A Publication of Rippe Gelbvieh

March 2006

INCREASING YOUR PROFIT

Not so long ago the use of age and source verification appeared to have a promising future. The Japan border had opened up and we had begun our first shipments of U.S. beef to Japan since BSE. Unfortunately, we lost this opportunity and it may take a long time for the border to be re-opened. We believe, and hope, it will be open again this fall. Many of you (like my dad) may be quite upset with the failure to sustain trade. Many pose the question, why is it important to have your cattle source and age verified? The answer: without having your cattle source and age verified you could be leaving a lot of money on the table. In the beginning you are likely to receive a premium for the added information, but in the future your cattle will just be discounted. Just with the opening of the Japanese border, packers were bidding \$2/cwt more for source and age verified cattle. On top of this, McDonalds and Wal-Mart are considering soon requiring that all beef they purchase must be source and age verified. If this happens, cattle that meet these standards would likely gain huge premiums for their producers. Nobody has solid estimates on how much the premium could be, but it would

certainly improve net profit. Cattlemen should also receive a premium selling their calves at the local auction market if they are USDA Process Verified. There are many source and age verified programs available, including many breed associations, but the important part is to make sure they are USDA Process Verified. The problem with breed associations is that the calves have to be out of a bull registered in that association. I was recently at a conference where a commercial cattleman stood up and asked of a breed association, "Are you promoting that we forget about heterosis, which is the only free lunch in the commercial segment?" The breed's representative failed to answer. You cannot forget about heterosis and the added value it creates or you will no longer be profitable. Because of these facts, I continued my search for programs that customers of Rippe Gelbvieh could utilize for age and source verification to receive available premiums while still maintaining a heterosis advantage. Dr. Tatum at Colorado State University suggested several alternatives including: working with a feedlot, a packer, imiglobal.com,

cepts.com, and aginfo.com. I want to remind you that it is not necessary for every program to have an electronic identification (eID) tag. I encourage you to research the different alternatives and find one that offers a good premium while still minimizing your costs and labor. One necessity for all of these programs is that you have registered your premise. If you need instructions on how to do this visit rippegelbvieh.com and look at my last newsletter. You also need to have your cows and calves tagged, birth date, and dam of calves recorded. A simple, old-fashioned calving book will usually do the trick. I suggest that you do not decide what program to use yet, simply record the data you need and see how events in the world market play out with border re-openings, and follow Wal-Mart and McDonald's policy closely. This is an opportunity to receive a premium; it is now your job to go get it. I want to leave you with a quote by Albert Einstein, "Insanity: doing the same thing over and over again and expecting different results." There is an abundance of change happening in our industry today, we must move forward and be a leader to dominate the world market.

Cowboy Logic:

A good fence should be
pig tight,
horse high, and bull
strong.

Hello everyone, the moisture we received during the month of March was definitely reassuring. After the bull sale, I flew down to Bar T Bar ranch in Arizona in search of outcross genetics that could add more carcass merit to our program. I found much more than that however, and the trip reminded me to continue to breed for balanced genetics that can work anywhere. If you have any questions about the newsletter, or have some special request for other information feel free to give me a call anytime at (316)323-4874.

Sincerely,
Dustin Rippe

Bull Sale Report

Sale Averages:

7 Gelbvieh Bulls, \$2371

11 Balancer Bulls, \$2400

We could not have asked for a better day. A very large crowd came on a sunny March 11th. We would like to thank everyone that had the confidence in our program this year and in the past. We will continue to produce balanced genetics that work for you. If you did not have a chance to see our 2006 offering, please stop by. If you are still looking for a bull, we have five high quality Purebred Gelbvieh and Balancer bulls still available. We would like to remind our customers that we do guarantee the bulls for their first breeding season. It is our goal that each customer is satisfied, so if you experience any problems please give us a call.

Sale Highlights:

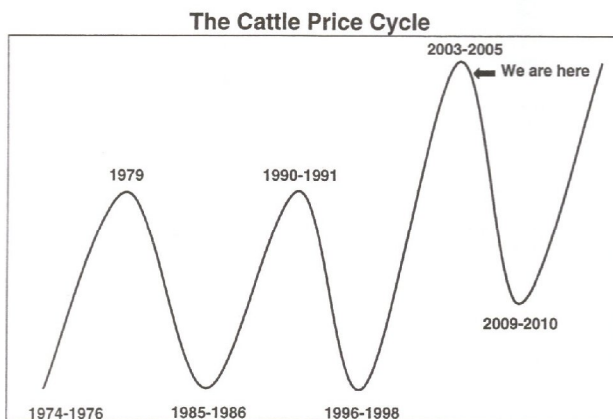
High Seller: Lot #25, a black Balancer by EXT x Bronco sold for \$3950 to Lelyn Larson of Gill, Colorado.

2nd High Seller: Lot #2, a purebred black Gelbvieh bull by Freedom x Levi sold for \$3600 to Dean Krueger of Reynolds, NE.

3rd High Seller: Lot #7 a purebred black Gelbvieh bull by Bronco X Freedom, a full sib to Foxi Roxi sold for \$3200 to Mike Hastings of Lawrence, NE.

4th High Seller: Lot #21 a red Balancer bull by Cherokee Canyon x Freedom sold for \$3000 to Harold and Gene Fischer of Hebron, NE.

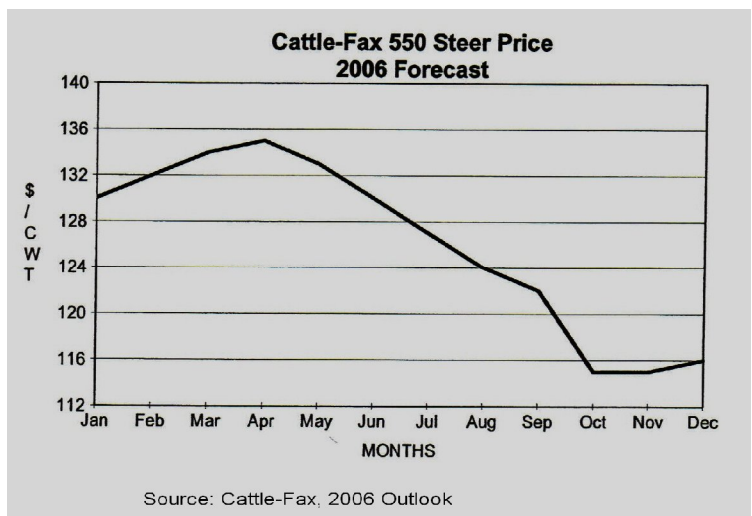
High Volume Buyers: Lonnie Wiedel, Lelyn, John, and Kent Larson, and Dan Poppe.



Source: Cattle Fax Data, 2006 Outlook

“Cattle Prices have peaked for this cycle. The market will transition lower in 2006 and is expected to trend lower from 2007 through the end of the decade. The smallest cattle slaughter and beef production levels for this cycle have been experienced during the last two years. Prices are expected to stay above previous cycle lows and remain in a new and higher trading range assuming domestic demand remains solid and that the U.S. can reestablish a strong export presence during the next several years.”

Source: Cattle Fax Analyst, 2006 Outlook.



Source: Cattle-Fax, 2006 Outlook

“The 550 pound steer calf market is expected to average near \$125 during 2006. The market should follow a very seasonal pattern, with the highs in the spring and the lows in the fall. The correction into the fall is expected to be larger than has been seen the last few years. Forward contracting of calves as early as calving, should be evaluated.”

Source: Cattle Fax Analyst, 2006 Outlook.



Introducing: Rough N Ready

Rippe Gelbvieh has recently purchased Rough N Ready from Genetics West. We are very excited for his offspring next spring. Our hope is to do a lot of carcass testing on our new herd sire. If you would be interested in this program please contact Dustin or Duane Rippe. He is Homozygous Black and

Homozygous Polled. His adjusted weaning weight was over 1000 pounds. He was a crowd favorite and was named the Reserve Winter Bull Calf Champion at the National Western Stock Show. If you would be interested in purchasing semen of Rough N Ready please contact one of us at Rippe Gelbvieh or Roger Gatz at Cattlemen's Connection.

	CE	BW	WW	YW	Milk	TM	GL	CED	SC		CW	REA	MB	FT	GM	FM
EPD	107	0.1	45	84	10	33	-2.7	105	0.5		3	0.04	-0.04	0.02	10.90	21.28
Acc	.01	.01	.01	.01	.01	na	.01	.01							na	na

Balancing Time and Giving Simplicity

We are now caught up in a go, go, go world. The job of balancing work, family, God, and leisure is becoming harder every day. Rippe Gelbvieh recognizes the importance of spending time with your family. We also recognize the importance of crossbreeding and heterosis, which is why, along with our purebred Gelbvieh we have developed a large Balancer program. For many years we pushed to develop a confusing and time-consuming crossbreeding program using three different breeds that was extremely tough to manage. However, according to Harlan Ritchie, a professor of Animal Science at Michigan State University, "There is a trend for more commercial producers to utilize heterosis by simply rotating unrelated F1 hybrid bulls composed of the same two breeds (A*B on A*B). This can result in a 12 percent increase in pounds of calf weaned per cow exposed over the average of the parental breeds." The Balancer program has allowed for commercial cattlemen to

maintain their profitability while at the same time focusing on the other important aspects of their life, essentially obtaining a small "free lunch." We spend countless hours researching and viewing the top bulls in the nation to provide the best genetics for our customers. Let us help you simplify and increase the profitability of your crossbreeding program with Balancers. More importantly, let us help you spend more time with your family and the things you enjoy.

In any Given Week, In any Region
There is Easily a \$25-\$30/cwt Price Spread
On Calves in the Same Weight Class

Source: Cattle-Fax Analyst, January, 2006

Rippe Gelbvieh

WE ARE ON THE WEB AT
RIPPEGELBVIEH.COM



Mission Statement:

"To produce superior Gelbvieh and Balancer seedstock based on economically important traits, which provide more profitability for our customers, and ensure the consumer a very satisfying eating experience."

"For every animal of the forest is mine, and the cattle on a thousand hills." Psalm 50:10

Just remember who gave us the opportunity to raise beef cattle.

For more information about our program call Duane Rippe, (home) 402-324-4176, (cell) 402-200-0096 or Dustin Rippe, 316-323-4874 or online at rippegelbvieh.com

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