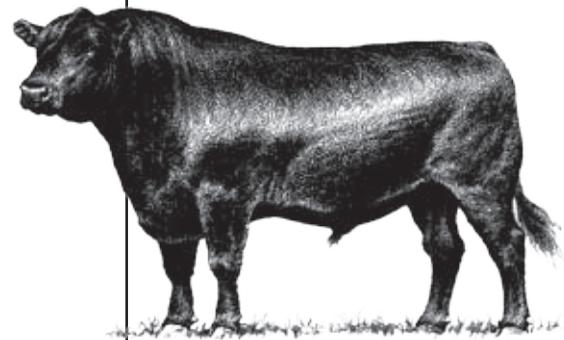


ANGUS

BEEF BULLETIN®

"The Commercial Cattleman's Angus Connection"



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Traditional, but ...



Central Oregon's R2 Ranch combines traditions of ranching with progressive genetic selection, management, marketing and relationship building.

by **KIM HOLT**

Central Oregon's R2 Ranch has used the services of black Angus bulls for more than 10 years, and this isn't likely to change any time soon.

"The Angus breed has been at the top of the market for many years, and I feel Angus is what consumers desire," comments Jimmy McDonald, R2 ranch manager.

Jimmy and his wife, Lisa, and their three children, Nikki, Mary and Chris, took over the R2's management reins just more than 10 years ago. The R2, a subsidiary of Columbia River Farms owned by Robert Pamplin Jr., was then managing 750 cows and Angus bulls.

Through careful management and watchful stewardship, the McDonalds have expanded cow numbers to fit dryland and irrigated feed resources encompassing 61,000 acres on this ranch just north of Madras in north central Oregon. Greater numbers of cows also require more bulls; Jimmy figures they'll need 95 head this spring.

While expanding the R2, Jimmy and Lisa have built relationships up and down the supply chain, and this has helped supply the R2 with reliable sources for herd bulls, high-quality marketing services and an outlet for R2's feeder calves.

Jimmy's ranch upbringing provided him a good foundation for the cow-

calf business. But he's also been willing to ask questions — including those of his bull suppliers, marketing representatives and feeder-calf buyer — then weigh information and apply practices to better breed, manage and market R2 cattle.

Well-executed management

The McDonalds execute sound health and management practices, and for the last five years they have marketed their calves as natural. All are vaccinated with a modified-live virus (MLV) respiratory vaccine at branding and boosted in fall.

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Above: Jimmy (pictured), Lisa and Mary McDonald trail gathered herd bulls to late summer pasture. Over the last 10 years, the McDonalds have grown cow numbers on the R2 to where they will require some 95 head of Angus bulls. "After pulling the bulls we try to keep them on irrigated pasture until we start feeding long hay in the winter. We also keep protein and mineral with them," Jimmy says. (PHOTO BY KIM HOLT)

Traditional, but ... (from cover)

They also focus on low-stress handling. One management practice that greatly contributes to stress reduction is the sexing of all pairs shortly after birth, separating the pairs by the sex of the calf. The McDonalds explain, "We sex our calves up in the spring before branding to reduce stress in the fall when shipping."

Jimmy and Lisa have always sexed calves on the R2. In fact, Jimmy used to undertake this same practice when he was on his family's homeplace just south near Ashwood.

He admits that sexing young calves requires extra work because it's just one calf and cow at a time. But, he says, he has definitely seen a benefit from the handling and sorting of calves when they're young.

"You always have to sort something, but it just eliminates a lot of sorting later," Jimmy remarks. "In late winter when we do sort, there isn't any stress on those cattle because it's a baby calf. There gets to be a lot of stress on the calves if you're sorting too much in the fall," especially in dusty corrals, he says. "I try to hold down on the stress. It just makes it easier on us in the fall."

As calves are sexed they go to steer- or heifer-calf feedgrounds. "In the spring when we brand, we'll either brand heifer calves or steer calves," Jimmy explains.

Heifer-calf pairs summer on dry bunch-grass range. The R2 has contiguous pastures, so the pairs move from one to the next without trailing or hauling. Steer-calf pairs are sorted onto better feed in irrigated pastures where they'll stay with their mamas until shipping day.

"We ship the steer calves in late October directly off the cows," Jimmy explains. "We are able to do this



Mary McDonald joins her mom, Lisa, and dad, Jimmy (pictured here), on the ranch full time, while brother Chris helps out when not in high school. The McDonalds do most of the ranch work themselves. They don't have to trail cattle a long way and only haul at weaning because R2's pastures are contiguous. (PHOTO BY SCOTT HOLT)

because they are on irrigated pasture where you can gather, sort and have them on trucks in one morning."

The McDonalds benefit from having no costs in hay and extra labor. Jimmy admits the calves are still nursing but, by then, he believes the calves and cows are more like companions.

He adds that Mehrten Homer, a repeat buyer of R2 calves for the Painted Hills Natural Beef program (see page 22), has never experienced any sickness with these unweaned calves that are all boosted three weeks prior to shipping.

Heifer calves are boosted when drier feed conditions dictate their weaning in early September. They're managed in big country, so it's difficult to gather this group for preconditioning.

The R2 holds back about 250 head for replacements and places them on grass fields until late fall, and then free-choice long hay through winter.

"You can have the best product in the world, but if buyers don't know you or know what you have, it doesn't matter."

— Jimmy McDonald

(Continued on page 4)



After Jimmy McDonald attended a trichomoniasis (trich) workshop in Madras last winter headlined by the Oregon state veterinarian, they switched to trich testing their bull battery in late August. Doing so then, instead of several weeks prior to spring turnout, allows for better testing accuracy and ample time for producers to replace any infected bulls. The R2 has never encountered a trich problem; but, Jimmy says: "With trich, I don't care if you test every year; you can always get it. I figure if I test, then I know it didn't come from us." (PHOTO BY ROD WESSELMAN)

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Cows with steer calves like this are managed on R2's best feed, irrigated pasture, until steer calves are shipped in mid-October. [PHOTO BY SCOTT HOLT]

Traditional, but ... (from page 2)

Sexing calves is one of the more unique management practices undertaken by the McDonalds. But they're also cognizant of other practices that pay in the cattle business.

These include moving their calving season to better match feed resources; feeding and managing replacements, first-

calf heifers and mature cows separately; daily sorting of new first-calf pairs to dry sage-brush ground for scours prevention; pregnancy testing and mouthing females; culling old and open cows before winter feeding; and testing their bull battery for trichomoniasis in late summer instead of three weeks prior to spring turnout.

Because their breed choice of bulls has been Angus, one management practice they don't have to undertake any longer is dehorning. "We don't ever check for horns anymore," Jimmy says of branding time. "That makes it nice. I think it's the right way to go."

The R2 still does have some red and smoky cows, but Jimmy only holds back replacements that are black or black baldie.

As far as bull selection, on paper Jimmy looks at birth, weaning and yearling weight, and then places real emphasis on how a bull holds up during breeding season.

"If that bull is out there with the cows for 90 days, you want him to come in looking a little bit rough because it means he's been working," he says. There's no average year in central Oregon, and conditions can be steep, dry, hot and cold.

A back-and-forth relationship

The R2 has used just a handful of bull suppliers through the years because of their quality of bulls, and the ability of the bulls to perform and maintain in the R2's high-desert environment. No less, these suppliers have been good to work with, guaranteed their bulls, been well-informed on the Angus breed and industry, and willing to share this information with Jimmy. One of these suppliers is Rathbun Angus Ranch, Moses Lake, Wash.

"The McDonalds are a great ranch family," Greg Rathbun shares. "They put a lot of thought and effort into their commercial program — a lot more than you see most people put into something. And they're very positive. They really enjoy what they do."

Of his supplier relationship with R2, Rathbun says, "We have a very good

(Continued on page 6)



Jimmy and Lisa McDonald (left) have been customers of Jennifer and Greg Rathbun, Moses Lake, Wash., for more than 10 years. [PHOTO BY ROD WESSELMAN]



The R2's end product helps fill grocery carts with the Northwest branded Painted Hills Natural Beef based out of Fossil, Ore. [PHOTO BY KIM HOLT]

Traditional, but ... (from page 4)

back-and-forth relationship. Jimmy asks us a lot of questions, we ask him a lot of questions, as far as what his needs are, what he's looking for, how the bulls are working, how they last, etc."

Rathbun says this buyer feedback helps determine what future genetics he'll select, and it also affects how he'll develop and

manage bulls. "We try to deliver to Jimmy what's going to work.

"I feel I can pick up a phone and call Jimmy any time I want, and I'd like to think he feels the same way. We seem to have that kind of relationship." Rathbun also points out that Jimmy has established a relationship with a feeder-calf buyer.

"Really, he's doing the same thing we are as purebred breeders. He's established that relationship with the buyer of his cattle and is trying to continue to supply product to him that will work."

A natural fit

For the last five years, Painted Hills Natural Beef (PHNB) has purchased R2 feeder calves from Western Video Market's July production sale. PHNB is a Northwest-based never-ever natural beef program with a Choice target. In 2008 this program processed and marketed 33,000 head.

Mehrten Homer, PHNB founder and president, Fossil, Ore., says they prefer Angus genetics for their ability to grade Choice or higher. Homer has returned to buy R2's Angus-sired calves for five years.

"The cattle are real healthy and they grade real well when we process them," he says, adding, "Their cattle usually grade over 90% Choice or Prime at 16 months."

PHNB will process 550 head a week, so R2's 90-day calving season fits their program.

Homer relays that he and Jimmy have a good working relationship. "Jimmy just does everything that you'd want to try to please us."

Jimmy's take is: "It's real important for me to ship nothing but the best to him. I really like it that Mehrten buys our calves, and I just want for him to at least keep bidding on them year after year."

The first few years, Homer bought R2 steer calves because the ranch didn't have many heifers to sell. The last two years, he's purchased R2 steer and heifer calves off the video.

"I really work on quality calves to send to Mehrten. He's been real happy with them, which makes me happy that we're getting him good calves," Jimmy says.

Networking and marketing pay

Jimmy and Lisa met Homer some five years ago at the July Western Video Market (WVM) production that gathers buyers and sellers to the Silver Legacy Hotel in Reno.

"I never used to go down to Reno to the calf sale because I always thought I should stay home and keep doing the work," Jimmy admits, adding, "I'm not a salesman. That's why I run cattle."

But his thought process on the importance of networking with fellow ranchers and potential buyers changed altogether several years ago. Especially after he and Lisa met and were able to explain their program face-to-face with

Bulls are turned out with R2 females April 1, and cows are bred on feedgrounds and spring grass. This year first-calf heifers will start calving Jan. 1 for 45 days, and mature cows on Jan. 15 for 90 days.
[PHOTO BY SCOTT HOLT]



Traditional, but ... (from page 6)

Homer, a prospective buyer, the day their calves sold on the video.

Jimmy's advice for producers is to "get out there. You can go to too many meetings and the work doesn't get done at home, but you need to get out and meet the people, too. You can have the best product in the world, but if buyers don't

know you or know what you have, it doesn't matter.

"I always say the cattle circle is pretty small. Everybody knows of the next guy. If you have good cattle, people know it regardless of where they're located."

The McDonalds have marketed R2 feeder calves with Western Video for eight years and feel they receive top prices year after year. Jimmy has established a relationship with WVM through representatives Donald Doverspike and Matt Norene.

"They are two great guys that really work for you," he shares. "I can call Donald or Matt up any time if I have any kind of market question — they are always there for you."

Doverspike suggested that the R2 video their calves on shipping day for the following year's video sale. Jimmy prefers this.

"That's what I want people to see — what the calves are going to look like and what they are buying," he says.

Jimmy and Lisa took the R2's program natural after this rancher watched "natural" designated calves consistently bring top money on WVM. Jimmy started asking questions to learn more about the natural designation and realized 99% of their calves could already qualify.

In the years that have followed, "natural" has paid off for the R2. "The only reason we can sell to Mehrten is because calves have to be natural," Jimmy points out.

Angus for the R2

The R2 is a big outfit, so it's no surprise that Jimmy receives mailboxes full of bull sale catalogs, especially for other breeds. Jimmy says he discusses his bull selection with his feeder-calf buyer, and this does influence his decisions.

Introducing other breeds is of concern to Homer who believes that, most of the time, when a different breed is mixed in with the Angus cattle, the grade goes down. His Painted Hills program needs a Choice animal and one that fits the plate.

"You can get too big of an animal," he remarks.

He is pleased, however, with his R2 purchases. And this gives the R2 good reason to stay the course with Angus genetics while blending traditional ranching with the progressiveness required in today's cattle business.



R2 Ranch is located north of Madras in central Oregon's high-desert country. [PHOTO BY ROD WESSELMAN]