



New Opportunity Offers Southeastern Ranchers More Profit, Less Risk

A unique partnership gives Southeastern cattlemen a pasture-to-plate opportunity

The winds of opportunity are blowing through the Southeast, and at the heart of the whirlwind is a new partnership providing a win-win situation for beef producers.

Meat packer and feeder François Léger is building a conception-to-consumption supply chain of high-quality, Angus beef. On the genetic side, he is teaming up with long-time cattlemen Virgil Lovell and Lee Leachman of Ankony Farms in Clarkesville, Ga. To supply the product, the team is seeking cattlemen within a 600-mile radius of Augusta, Ga., to set up multiplier herds that could deliver several thousand calves per week into the FPL Food's/Châtel Farms® system.

A French Farmer Brings a Rare Perspective to the U.S. Meat Industry

FPL Food's and Châtel Farms' owner François Léger grew up in France on a beef, pork and poultry farm, where he learned the intricacies of how each species was raised. One of the youngest of a family of 10 kids, Léger knew he couldn't stay on the farm, so he took a position in a beef plant. From carrying meat on his shoulder to boning, he worked his way through the ranks at the plant before working with two different French retailers to gain additional training. He then began an 18-year career with Keystone Foods, which took him to Australia and South America before bringing him to the United States.

In 2004, Léger acquired the processing facility in Augusta, Ga., from Keystone Foods, and founded FPL Food. FPL grew to become the largest family-owned processor of fresh beef products and ground beef selections in the region. Léger is now designing plans to streamline and modernize the plant to accommodate the new product line.

In 2011, Léger started Châtel Farms at Reidsville, Ga., to maintain supply for FPL Food. He expanded the farm with three state-of-the-art, environmentally-conscious barns to feed out cattle for the plant with forage and silage grown onsite.

Léger's involvement on the processing side of the beef industry lends him a more direct line of communication with consumers than most ranchers, and he is intensely listening.

"What the beef industry is lacking today is transparency at both the producer side and the retailer end," Léger said. "We can't

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produce what we want to produce and force it through the chain to the consumer. We have to produce what the consumer wants."

Léger said consumers increasingly want to know what they are eating. "One hundred years ago, most of the population was from a farm and agriculture," he added. "Sixty years ago, we started talking about people having less connection to the farm, but people still had grandparents or cousins that farmed. Today, people have no connection to the farm. They have food on their plates without knowing how it was produced."

"The customer wants high-quality beef and they don't want to be disappointed," he said. "To get high-quality beef, you need consistent, high marbling, tender, flavorful meat."

To satisfy this customer demand, Léger developed True to Nature™, a brand that will soon be available in retail outlets. Châtel Farms® Angus Beef, is the high-quality signature line of FPL's Never Ever Angus brand, True to Nature™, an all-natural, no-hormone, no antibiotic beef product that is born, raised and processed in the Southeast. Léger's aim is to improve efficiencies and expand production, to eventually make the quality product available to consumers across the Southeastern states.

Joining Cattlemen with the Meat Company

"It's obvious that I cannot make this product alone," Léger said. "We need the help of ranchers to develop a supply chain in the Southeast."

To supply the brand with superior, traceable genetics, Léger is announcing a new partnership with Ankony Farms. Léger chose



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From left, François Léger of FPL Food & Châtel Farms, Augusta, Ga., is announcing a new partnership with Virgil Lovell of Ankony Angus, Clarkesville, Ga., to build a conception-to-consumption supply chain of high-quality, Angus beef in the Southeast.

to partner with Ankony because of the ranch’s reputation for carcass traits and outstanding marbling and its location in the Southeast. He searched the country for the best partner for his branded beef line and found a common root—many of the best Angus herds traced back to Georgia’s own Ankony genetics.

Another allure to the Ankony herd was their use of an index called \$Profit.

The \$Profit index was developed by Lee Leachman, who took his economics degree and third-generation cattle background to develop a birth-to-harvest index that evaluates more than 20 financially important traits and boils it down to a value that indicates the difference in profitability that will be generated between bulls in your herd. The 15-year-old index has evaluated more than 1.1 million head in the Leachman database.

“\$Profit finds the animal that simultaneously improves the quality of your cowherd while increasing the quality of your feedlot and slaughter cattle in a balance closer to what most ranchers want,” Leachman said. The index helps identify cattle with traits that are usually antagonistic, such as maternal ability and carcass merit. “Combining animals that excel at those antagonistic factors is really important when you are trying to build a supply chain from the commercial herd to the consumer,” he said.

The index is simple for cattlemen to use. With an assumption that a bull will have 100 calves, a rancher can determine the difference between Bull A with a \$Profit value of 25,000 and Bull B with a 20,000 value to be a \$5,000 difference, or \$50/calf on those 100 calves, Leachman said.

The results are already apparent in the Ankony herd. Ankony’s use of the \$Profit matings propelled the herd to produce a significant percentage of the top 50 non-parent females in the United States in the EPD re-calibration performed by the American Angus Association in June. This included the #1 and #3 non-parent females on the \$Combined Angus index that is slated for release in 2020.

With the new partnership in mind, Lovell said Ankony is now striving to produce a volume of bull pregnancies from these top-performing females that will be mated to the highest carcass trait Angus bulls.

These bulls will then be leased or sold to multiplier herds with the intention of putting a buy back contract in place with Châtel Farms for the calves produced by these bulls. After agreeing to breed a certain number of cows, the multiplier herd will sell back the resulting calves to the program for a premium. Premiums from the buyback are expected to all but pay for the cost of the bulls for the rancher. Ranchers will also have the option to retain ownership of the calves.

To get started, Châtel Farms will evaluate a commercial

cow herd’s genetic merit using historical data and DNA. Once the contract is set up, Châtel Farms will have Ankony bulls available for immediate turnout. Given the intended size of the supply chain, Châtel and Ankony are encouraging other Angus breeders to produce high \$Profit bulls. Ankony Farms will offer eligible genetics at its upcoming sale on Sept. 26. A “who’s who” of elite cow families will be offered at the sale, and will represent cattle in the top one-tenth to one percent of the Angus breed for \$Profit.

Prior to the Ankony sale, an educational seminar will be held at 10 a.m. on Sept. 26. This will be an opportunity for commercial ranchers and seedstock breeders to hear from François Léger directly about the FPL/Châtel programs. Leachman said the seminar will discuss important drivers for commercial producers. “We are going to help them better understand \$Profit and better understand how selecting for this index will improve their profitability and build better beef cows, but we are also going to talk about the opportunity for them to be part of this high-quality value chain and earn premiums based on that participation.”

Lovell said that the seminar will be a good opportunity for cattlemen who haven’t necessarily followed the fast pace of reproduction and genomics, but want to have quality animals and sell into a food chain for higher returns.

The Win-Win Benefits for Southeastern Cattlemen

The program offers Southeastern ranchers a unique opportunity to build equity in the future of their business, while minimizing some of the risks they have normally faced.

This program brings fed cattle back to the Southeast, Leger said. “There’s no reason why we cannot feed these cattle in the Southeast. The goal is to produce the best beef and to avoid sending the cattle to the Midwest, avoiding shrink and freight, which is a more sustainable approach. Our supply chain will satisfy consumer preferences for more locally raised beef.”

Lovell added, “This opportunity is perfect for ranchers in the Southeast who want to produce a quality product and make more with their cattle by taking them to a higher level of production and efficiency. The program will give breeders a peace of mind that someone wants to buy their cattle or joint venture with them.”

If you would like more information about this exclusive partnership opportunity, make plans to attend the educational seminar and Angus female sale held at Ankony Farms in Clarkesville, Ga., on Sept. 26. More information about the event will be posted at ankonyfarms.com. For more information about the \$Profit index, visit leachman.com or call Lee Leachman at (970) 219-8519. —ANKONY