

# Managing to a higher level

**An innovative feedlot encourages proactive quality programs**



## THE PROCESS

Pound-Maker, Saskatchewan's largest feedlot, was started to help local farmers earn higher prices for their grain, and then became Canada's first integrated feedlot and ethanol facility. Now Pound-Maker is a pilot site to develop protocols for safe handling of cattle, feed, medications and manure to assure production of safe high-quality beef products.

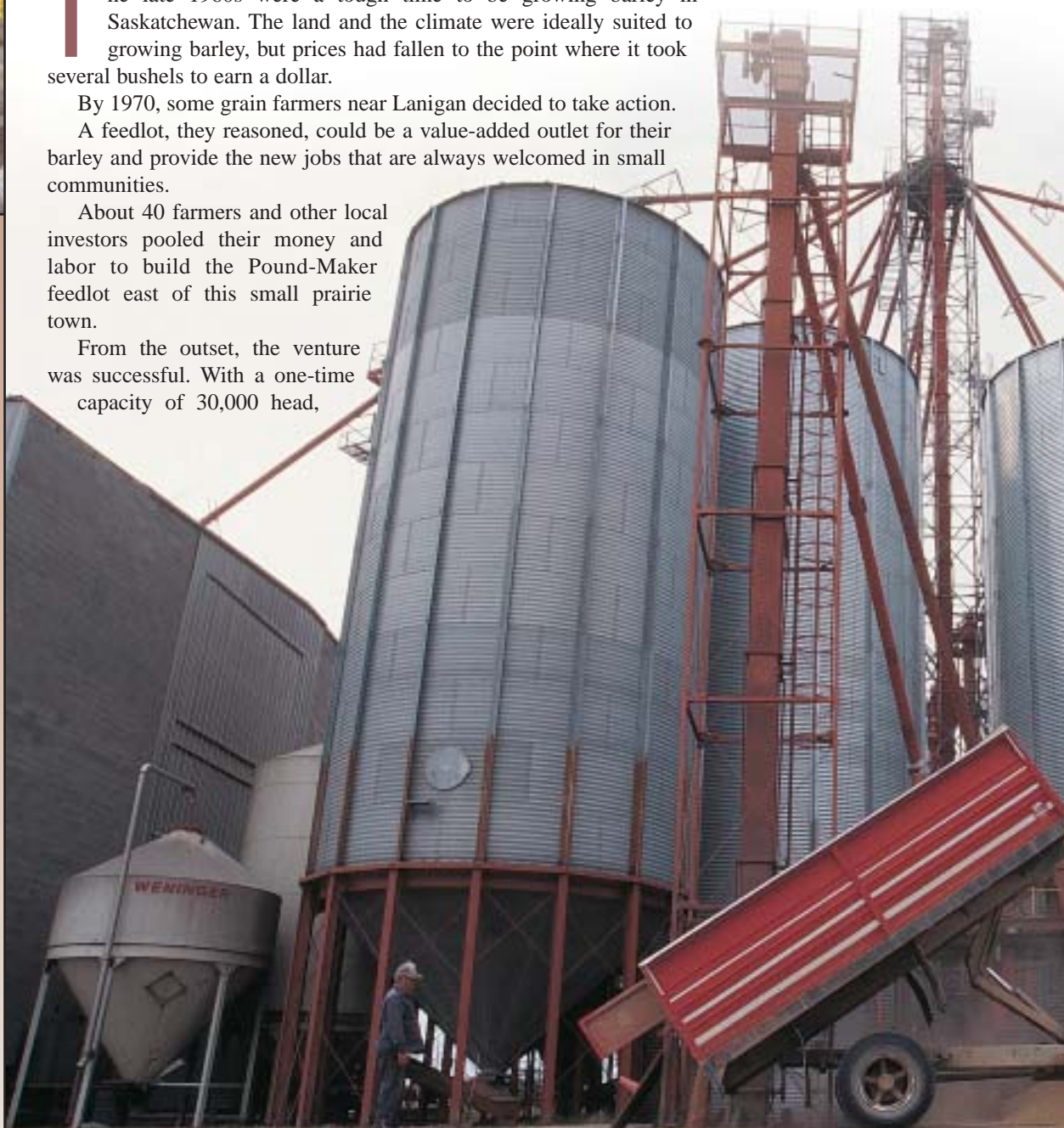
**T**he late 1960s were a tough time to be growing barley in Saskatchewan. The land and the climate were ideally suited to growing barley, but prices had fallen to the point where it took several bushels to earn a dollar.

By 1970, some grain farmers near Lanigan decided to take action.

A feedlot, they reasoned, could be a value-added outlet for their barley and provide the new jobs that are always welcomed in small communities.

About 40 farmers and other local investors pooled their money and labor to build the Pound-Maker feedlot east of this small prairie town.

From the outset, the venture was successful. With a one-time capacity of 30,000 head,





Pound-Maker is the province's largest feedlot and has earned a reputation for progressive high-quality practices.

"I credit our success to the commitment of our shareholders," says Brad Wildeman, President of Pound-Maker Agventures Ltd. "For them, using this place as a market alternative has become part of their culture. They've always been supportive. In tight times, they've done what it takes to keep it going because it's so important to have a local market that adds value."

In the late 1980s, Pound-Maker took another innovative

*Brad Wildeman is President of Pound-Maker Agventures Ltd., an integrated feedlot and ethanol plant in Saskatchewan. He also serves as Foreign Trade Chairman of the Canadian Cattlemen's Association and Chairman of the association's BSE recovery group.*

step by establishing an ethanol plant with the same mandate as the feedlot: Buy grain products from shareholders and add value. Wheat is the primary input into the ethanol plant, which has steadily produced 13 billion liters of ethanol per year. The byproduct of wet distillers grain provides a high-fiber, high-protein feed input.

This year, Pound-Maker, along with the entire Canadian beef industry, faced an unprecedented challenge as the discovery of one BSE-positive cow in Alberta resulted in closed borders to exports and a dramatic drop in beef prices. As Foreign Trade Chairman of the Canadian Cattlemen's Association and Chairman of the association's BSE recovery group, Wildeman found himself at the center of the issue and gained great insight on what lessons the industry can learn from this experience (see sidebar, page 7).

### **INTEGRITY FROM THE BEGINNING**

From the outset, Wildeman says Pound-Maker has always purchased its supplements for minerals, vitamins and medications, rather than mixing their own. Initially, it was simply because they lacked the facilities and equipment to do so. As time went on, they saw value in the convenience of the supplied product and more importantly, in the value of information the providers of these supplements can offer.

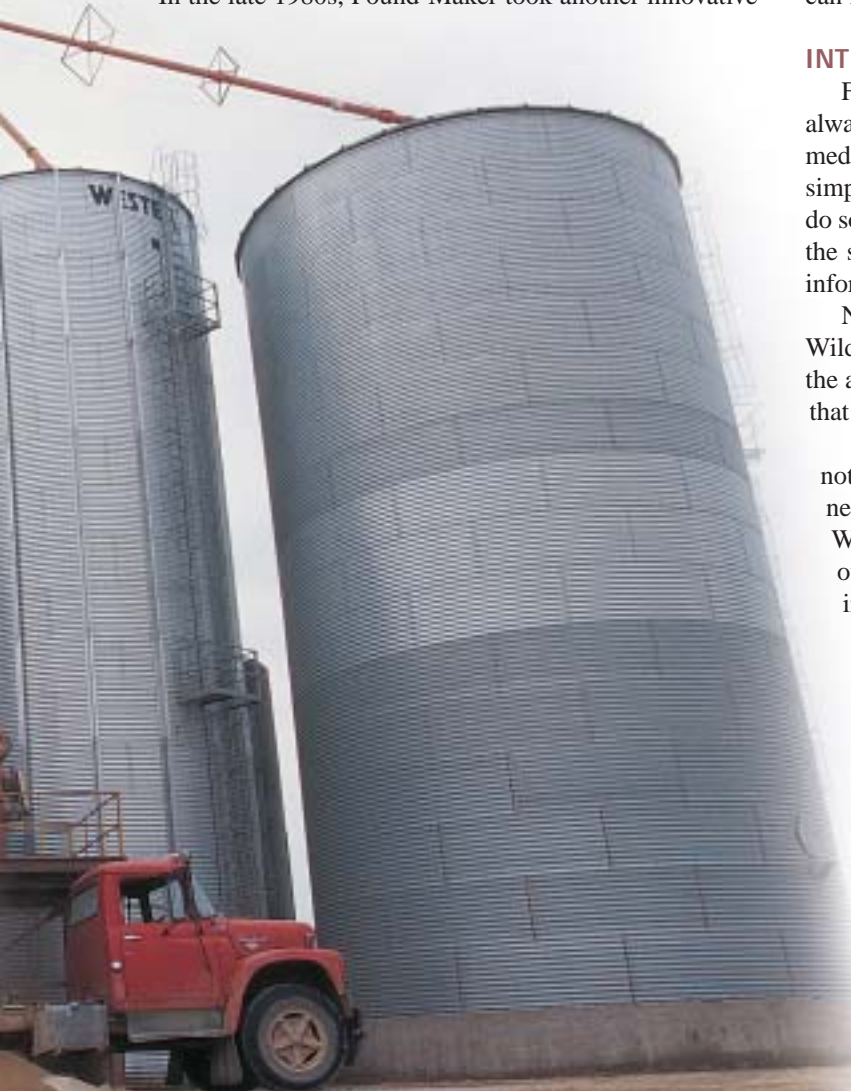
Now, as the stakes for feed integrity get higher, Wildeman says Pound-Maker counts on feed providers for the assurance that their feeds are free of ruminant meal and that medications are properly managed.

"We're being asked by our packers to certify there's not been any ruminant meal in the feed. If audits become necessary, we'd rather leave all that to the experts," Wildeman says. For the record, Wildeman says "not an ounce" of meat and bone meal has been fed to the herd in more than 15 years.

The Feed-Rite plant in Humboldt, Saskatchewan, has been a long-time primary supplier of feed supplements to Pound-Maker. Like all Feed-Rite facilities in Canada, it follows the internationally recognized HACCP and ISO 9001 standards.

*The Pound-Maker feedlot was established to give local farmers a higher-value market for their barley. The addition of an ethanol plant provided a similar boost for wheat. As part of Pound-Maker's integrity program, every load of inbound grain for feed is analyzed and samples are kept.*

Continued





## THE BASICS

Pound-Maker has developed a system for managing and fattening cattle in an efficient and responsible manner. Inbound cattle can vary widely in weight, ranging from 400 to 900 pounds. They go through an incoming protocol that includes weighing, ear-tagging with tags color-coded to weight, deworming, vaccinations and bull checks with castrations as needed.

The cattle are grouped by gender and weight, and penned in groups of about 325. A small mound, 3 percent slopes, clay-based bottoms and 8 foot cement feed bunk pads provide a comfortable and easy-to-manage lot environment.

Barley is the core feed component. Pound-Maker buys about 3.5 million bushels each year. Each inbound load is tested and analyzed for variables including

*Wet distillers grains from Pound-Maker's ethanol plant provide the herd's protein supplement, and must be fed within a day of production. Feed rates are managed so that bunks are "eaten clean" every day.*

contaminants. They look for consistent kernel size, and pay premiums for heavy barley. "Our growers are producing a much better product now. Crops are cleaner, and varieties are more consistent," Wildeman says.

The wet distillers grains run about 35 percent protein and make up about 15 percent of the total ration. "We use it instead of soy or canola meal," Wildeman says.

Other inputs include barley green feed, barley silage and oat hulls.

Cattle are segmented by 75-pound weight breaks, and Pound-Maker has the ability to develop a separate ration for each group. "There's no other operation like this in Canada that feeds all these

***Pound-Maker counts on feed providers for the assurance that their feeds are free of ruminant meal and that medications are properly managed.***


ethanol byproducts, so we can't grab a ration off the shelf," Wildeman says. Dr. Ron McLaren, a Feed-Rite Beef Nutritionist and Quality Assurance Specialist, works closely with Pound-Maker to develop and monitor rations.

Wildeman says their ration has evolved to one of more grain and less roughage, and they feed small amounts four to five times a day. "We used to feed as much as they'd possibly eat, and a lot of roughage. Our finishing ration was 65 percent grain, now it's 85 percent."

He says better management of higher energy rations has resulted in better feed conversion, less manure and less wasted feed. The cattle completely consume the feed in the bunks every day.

In an effort to further raise consumer confidence in beef, Wildeman says Pound-Maker is working with the Canadian Cattlemen's Association and Dr. McLaren to develop the Quality Starts Here Verified Beef Production on-farm food safety system.

"We're a pilot site for this national program to develop protocols for safe handling of cattle, feed, medications, manure and other materials to assure production of safe and high-quality beef products. We want to see the beef industry, voluntarily, raise the level of its quality assurance programs," he says. The model for these new systems includes HACCP guidelines similar to those followed by HACCP-certified feed mills.

"Ultimately, I'd like to see every farm that produces livestock have a protocol in place that can be audited to show they are managing all the inputs properly to produce the safest, most wholesome product," Wildeman adds. "By being proactive, we can create a system that's user friendly and cost effective before government bureaucracy intervenes." 



*Pound-Maker Information Technology Manger Sheri Pedersen shows a ration sample. Rations are mixed to the needs of different weight groups.*

## BSE lessons learned

The identification of one BSE-positive cow in an Alberta herd set off an unprecedented chain of events. More than 30 countries including the United States closed their borders to Canadian beef, slashing market demand by more than half. Prior to the May 20 finding, upward of 15,000 cattle per week moved into the United States alone; afterward, none. Prices dropped from over a \$1 per pound to 30 cents. "It's been quite an experience," Wildeman says. The ripple effects have been so strong that western Canadian communities organized beef rallies that drew thousands of people in support of the industry, and home-made "Eat Canadian Beef" signs have become a common roadside scene.

While the Canadian beef industry has shouldered the economic burden, Wildeman says this situation holds important lessons for the industry, no matter which side of the border you're on. Among them:

- The cattle ID system works. "Through our ID system, we were able to find every one of the 5,000 exposed and progeny cattle and quarantine them, rather than destroy thousands of animals. The Canadian Cattlemen's Association is trying to get all food-producing animals such as dairy, sheep and hogs into the database. We have to do more things to protect our industry, and the ID system is one of them."
- Don't think it can't happen to you. Wildeman's Pound-Maker lot was not exposed to BSE, but he says any producer is naïve to think that something like it could not happen to them. Manage your business in a way to minimize these risks, and be able to respond quickly and professionally if a situation should occur.
- Develop your markets. "Market access means everything to exports. Be proactive about protecting and strengthening it."
- Make the response appropriate to the risk. No one questions the need to quickly isolate and contain these types of problems. Yet several months after the biological aspects of the BSE situation had been totally resolved, the political issues were in limbo. "Protocols were in place to quickly close borders; the mechanism for opening them is not defined," Wildeman says.

