the isa informer

ISA CATTLE COMPANY

FALL 2010

You are cordially invited to our 49th Beefmaster and Charolais bull sale!

The bulls are currently finishing up our unique yearlong performance test, and they are one of the most outstanding sets of bulls we've raised. The enclosed catalog has all of their performance information to date.

You will see a number of bulls with IMF percentages well above 4%. This is remarkable for grass-developed yearling bulls! You will also see their excellent muscling and thickness displayed in the ribeye areas.

You can also see their gains on grass, between weaning and August 3rd. We run them very rough on native pasture in the Texas Panhandle with little-to-no supplement, so they did it all on their own. This is the secret to how well Isa bulls hold up, no matter what environment you ranch in.

In addition, you'll find breed-leading EPDs among both the Beefmaster and Charolais. The bulls are backed by a complete health program, have been trich and fertility-tested and they are fully guaranteed. Volume purchases will be delivered for free anywhere in the U.S.

As always, if you can't make the sale we'll be happy to pick out bulls to your specifications and deliver them to you, satisfaction guaranteed.

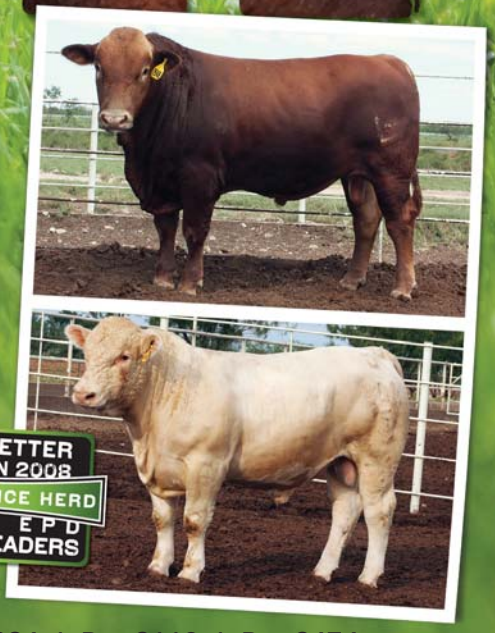
We have some terrific groups of bred females for sale as well.

We look forward to seeing you in San Angelo on October 2nd!

—Lorenzo Lasater, President

49th BULL SALE

10 A.M. OCT. 2, 2010
PRODUCERS AUCTION
SAN ANGELO, TEXAS



Featuring 170 service-ready Beefmaster and Charolais bulls

Ranch-raised, Moderate, Thick, Clean, Correct and Tough as Nails!
All virgin bulls and Trich tested

36 PACESETTER COWS IN 2008
THE PERFORMANCE HERD
28 2009 EPD TRAIT LEADERS

Beefmaster sires include L Bar 0324, L Bar 2118, L Bar 2474, L Bar 3100, L Bar 3432 and L Bar Automatic.
Charolais sires include Duke 9918, Fastrack LJ and sons of Gossip and Sir Paul.

Sale Headquarters: Rodeway Inn 325.944.2578
Hampton Inn 325.942.9622

Bred Females and Open Heifers for Sale

Laurie, Annette & Lorenzo Lasater
P.O. Box 60327
San Angelo, TX 76906
(325) 949-3763
lasater@isacattleco.com

Isa Cattle Co., Inc.

www.isacattleco.com

Harness the power of heterosis

Note: I have borrowed a lot of the following information from a great presentation by Dr. Bob Weaber of The University of Missouri at our recent Beefmaster Symposium in Springfield, Missouri. Thanks to Bob for loaning me his slides and letting me share his excellent info with you. (Extra note: the anti-Angus flavor is purely mine.)

IMPACT OF STRAIGHT-BREEDING ON HETEROSIS

Generation	Breed A Fraction	Breed B Fraction	Individual Heterosis
1	½	½	100%
2	¾	¼	50%
3	⅞	⅛	25%
4	15/16	1/16	12.5%
5	31/32	1/32	6.25%

IMPACT OF CROSS-BREEDING ON WEANING WEIGHTS

System	% Max Heterosis	% Increase in Calf Wt per Exposed Cow
Pure Breeds	0	0
2 breed rotation	67	16
3 breed rotation	86	20
2 breed composite	50	12
3 breed composite	63	15
Term Sire x F1	100	23–28

Once upon a time the U.S. Beef industry understood and practiced the value of heterosis. Ranchers crossed different breeds of cattle in order to harness the unbelievable (and inexpensive!) power of heterosis in their production systems.

Heterosis, also known as hybrid vigor or outbreeding enhancement, is the increased function of any biological quality in a hybrid offspring. It is the occurrence of a genetically superior offspring from mixing the genes of its parents. Heterosis is obviously introduced through cross-breeding, and it comes at a very low cost since you have to buy or raise two parents anyway.

Today, much of the U.S. beef herd has become a homogenized, largely Angus herd. This was done in hopes of capturing a price advantage. But many ranchers we talk to are now realizing that, while they may have gained a few more cents per pound, what they gave up in reduced weights, decreased efficiency, decreased adaptability and increased costs ate that "premium" up and then some! The real shock came, though, after keeping several generations of replacement heifers, their cow herd began experiencing big changes in production efficiency and profitability.

The first chart above shows us what happens when a single breed is bred back repeatedly; heterosis goes from a high of 100% in the F1, to a mere 6.25%—in just five generations!

Why does this matter? The power of heterosis has the greatest impact on the traits with the lowest heritability, like fertility. Things like carcass traits are highly heritable and can be fixed in one generation using a breed with the desired characteristics. But to move the needle for things like fertility and production efficiency is much more difficult.

This L Bar Beefmaster x Angus heifer exemplifies the power of heterosis in commercial beef production.

What does it mean in terms of production? You can see from the list below that heterosis improves production efficiency at the herd level.

Heterosis:

- Improves calving rate—6% [a]
- Improves calf survival to weaning—4% [a]
- Improves WW—8% [a]
- Improves YW—4% [a]
- Improves carcass traits—0–2% [a]
- Significantly improves traits with low heritability
- Improves weaning weight per cow exposed—23% [b]
- Improves animal disease resistance to BRD and Pinkeye [c]
- PLUS: Breed Complementarity

[a] *Kress and Nelsen (1998),* [b] *Gregory and Cundiff (1980) ,* [c] *Snowder et al. (2005a, 2005b)*

It is obvious that heterosis is an important tool in the rancher's toolbox, but one many in the industry have gotten away from. The second chart above shows the various effects of different types of crossbreeding systems on weaning weights. You can see quickly that breeding the same breed year after year eliminates any advantage from heterosis.

If you don't need replacement heifers, you maximize heterosis in a terminal system, like breeding Isa Charolais bulls. There is no more sought-after feeder calf than the Charolais-cross, and this simple system yields the maximum pounds of calf with the fewest inputs.

If you do need to keep replacement

Continued next page

It's No Accident …

… that cows that raised according to the Six Essentials do a lot of other things well, too.

We recently placed a group of steers and heifers in a carcass evaluation done in conjunction with BBU and Texas A&M.

Financially they hit a home run, grossing $1336.97 per head or $99.50 / pound. These are the highest fat cattle we've ever sold. We obviously got lucky on the market, but we'll take it every time!

The real proof of the validity of the Isa program lies in the performance:

Carcass Weight	
Cost of Gain	.834
Death Loss	0%
% Choice	72%
% Select	28%
< Select	0%
YG 1–3	93%
Avg YG	3.1%

If we ask our cows to perform in the pasture and raise a calf every 365 days, they will also raise ideal feeder calves that will ring the bell every time.

Outstanding Females for Sale

40 twos and threes bred AI
75 bred heifers
30 open heifers
24 Advancer cows (Charolais bred to Beefmasters)

Clockwise from top: Open Beefmaster heifer, Charolais bred heifer and young Beefmaster bred cow

Harness the power of heterosis, continued

heifers, consider using Isa Beefmaster bulls. A three-breed composite offers 63% retained heterosis, while delivering excellent feeder steers (see results in "It's No Accident …" on the following page) and the best quality replacement females available.

One important thing to keep in mind about Beefmaster is that the three-breed composites, like Beefmasters, retain that heterosis even when rebred, generation after generation. This means you can come back generation after generation with Beefmasters, and the jump from hybrid vigor remains in the cattle at 63%—generation after generation. This is a *huge* advantage over a straight-bred system.

We understand there is market pressure to raise a single type of calf. But beware where those pressures come from and what their motivation may be. Sure the order buyer and feedyard owner want them all the same, because it makes their lives easier. But does raising them all the same actually make a difference where it matters—in your ranch's bottom line?

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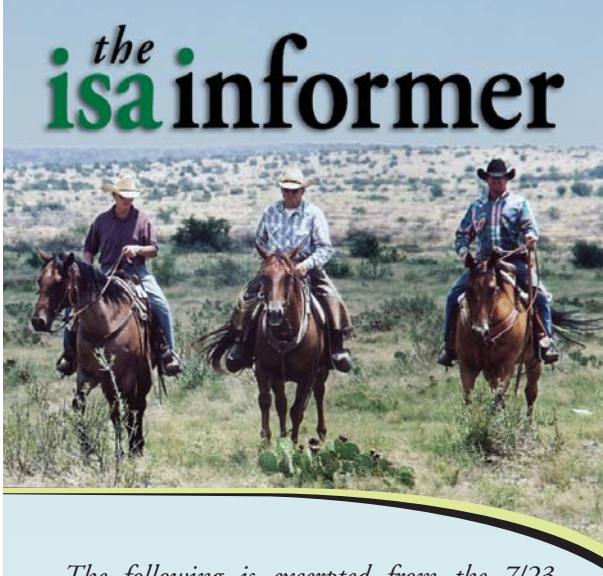


The following is excerpted from the 7/23 edition of Western Livestock Journal.

While this may be news to our Angus friends, Tom Lasater recognized the critical role Disposition plays in cattle performance, and that is why he included it in the Six Essentials over 70 years ago!

Nervous and aggressive cattle are a pain in the wallet. That was the kicker in a recent presentation at the Midwest American Society of Animal Science meetings in Des Moines, Iowa. Gary Fike, beef cattle specialist for the Certified Angus Beef (CAB) brand, said cattle that were considered docile graded Premium, Choice and Prime at more than double the rate of their nervous to very aggressive contemporaries. Docility in the feedlot pays off with better performance, improved carcass merit and reduced morbidity and treatment costs, Fike says. Data were collected on nearly 50,000 cattle from 18 Iowa feedlots.

"Once those docile calves arrive and get on feed, they eat more, have heavier weights and gain more quickly simply because they're spending more time at the bunks," Fike surmised. "They're able to perform better when they're not taking off from the bunk every time there's a disturbance."

That feedlot performance proved increasingly valuable in the carcass data. With a 30.7-point difference in marbling score between the most and least docile cattle, it's not surprising the former have better CAB brand acceptance rates. "For lack of a better term," Fike said, "They're just easy keepers." Applied to a study on nearly 50,000 head, that's very significant data. A $40 difference in profit is also pretty significant.

"There's no doubt cattlemen need to understand the heritability of disposition traits in their herds. You really have to look at things like disposition in sire selection and in the cow herd," Fike said.

SALE SEMEN SPECIAL (20 OR MORE STRAWS)

EXPIRES 10/02/10

$40

L Bar Essential

BW -.2 WW 4 YW 13 MILK 6 TMAT 8 SC -.4 REA .06 IMF 0

$40

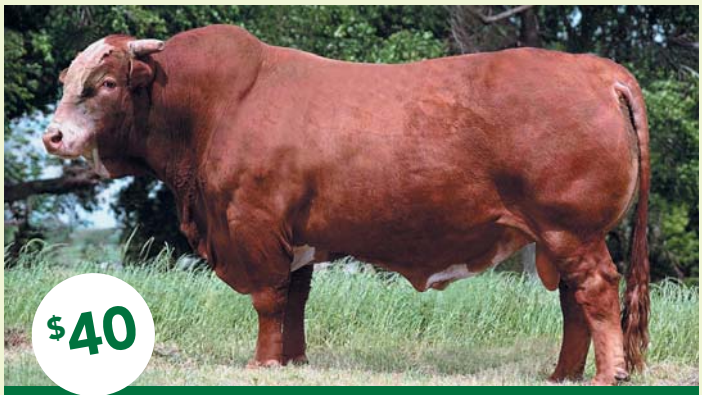
L Bar Inevitable

BW .9 WW 10 YW 18 MILK 9 TMAT 14 SC -.5 REA .07 IMF .1

$40

L Bar Automatic

BW -.1 WW 2 YW 8 MILK 3 TMAT 4 SC .1 REA .19 IMF .2*



$40

L Bar 5502 (Typesetter/Pacesetter)

BW 1.6 WW 42* YW 53* MILK -25 TMAT -6 SC 1.1* REA .31* IMF 0

$40 Polled

L Bar 2474

BW -.8 WW 11 YW 13 MILK 7 TMAT 13 SC -.3 REA -.24 IMF .1

$30

L Bar 3432

BW -.4 WW 30 YW 29 MILK -1 TMAT 14 SC .8 REA -.01 IMF .3*

$30

L Bar 0324

BW -.9 WW 22 YW 29 MILK -5 TMAT 6 SC 1.6* REA .18 IMF 0

$30

L Bar 3100

BW .8 WW 17 YW 28 MILK -14 TMAT -5 SC -.1 REA -.04 IMF .1

* Trait Leader