

# ADDING VALUE WITH THE AMERICAN RED TAG

By Kelsey Pope, Contributing Writer

The commercial beef producer was top of mind when the American Red program was rolled out earlier this year, providing the beef industry with a fusion of maternal and growth traits, packaged with a heat-tolerant, red hide. The American Red program adds value to Santa Gertrudis-cross cattle by emphasizing the value of increased longevity, fertility and efficiency, while offering unique marketing opportunities.

American Red was first unveiled in February 2020 at the Cattle Industry Convention and National Cattlemen's Beef Association Trade Show in San Antonio, Texas, as a collaboration between Santa Gertrudis Breeders International (SGBI) and the Red Angus Association of America (RAAA).

Barrett Simon, commercial marketing specialist with RAAA, says the American Red program started as conversations between two breed associations that both see things very similarly and have a commitment to their commercial contingency.

Many SGBI members and commercial bull buyers were already adopting this popular hybrid between Santa Gertrudis and Red Angus, and the cattle were working extremely well, particularly through the Gulf Coast region.

"As we got to the end of those discussions and crossed the associations' visions for what we could do together, we realized there is more opportunity to promote this cross in a challenging climate," Simon says.

Further, Simon attests that the tremendous foundation between both associations and the hybrid cross made it a natural fit for a value-added program.

## Program Prerequisites

The process to get involved in the American Red program is extremely simple. The cattle that qualify are determined by breed percentages, ranging from 25 percent to 75 percent Red Angus and 25 percent to 75 percent Santa Gertrudis, with a small allowance for other breeds. Most qualified cattle will be red. However, color is not an exclusionary requirement.



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Groups of cattle do not need to be fully red-hided to qualify.

"We know that most commercial cow herds can have evidence of another breed and there is no penalty for that with this program," Simon clarifies. "Cattle simply need to be one-quarter to three-quarters of one breed (Red Angus or Santa Gertrudis), with the balance being the complementing breed."

Dams of qualifiable calves must contain at least 50 percent of the reciprocal breed, meaning 50 percent or more Santa Gertrudis when the calves are sired by Red Angus sires, or 50 percent or more Red Angus when calves are sired by Santa Gertrudis bulls.

The offspring of this crossbreeding program will be well suited for commercial producers who are seeking quality replacement females and steers that fit in the value-added segment of the beef industry.

The next step is getting the calf crop verified. Producers can contact Chessie Mitchell, Red Angus tag program coordinator ([tags@redangus.org](mailto:tags@redangus.org)), and she will walk through a few questions on calving seasons and production systems, then verify bull bat-

tery, regardless of which breed. Steers and heifers in the same calf crop must be sired by registered Red Angus bulls averaging in the top 50 percent of the breed for the HerdBuilder Index (HB) or registered Santa Gertrudis bulls averaging in the top 50 percentile for the SGBI Balanced Index.

## Value of the Tag

The American Red tag is what gives the program integrity, and the tagging concept is important for program promotion along with being integral to the success of American Red-labeled cattle. Since February, the program has enrolled 1,600 head. Enrollment requires a yearly \$50 enrollment fee and a \$1.25 fee for each tag. There is a five-head minimum for enrollment.

"It's extremely cost effective and we look forward to comparing that enrollment cost to the potential premiums with this hybrid," Simon states.

"We know that all decisions in production in the cattle business are a couple of years out, but the fact that we've had so much interest and 1,600 enrollments just since February shows tremendous uptake," Simon adds. "Those cattle just enrolled would have already been bred and born in previous breeding seasons,

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which shows there is an interest in an American Red hybrid breed.”

The value-added part of the program boils down to verification. Adding the American Red-labeled blue tag to these cattle means they are verified American Red. They cannot be called anything but that because their genetic makeup has been verified. For the smaller producers taking cattle to the sale barn, if their cattle have blue tags in their ears, it adds an element of consistency. That decreases the chance of cattle being split up to be sold in groups, which helps the producer from a marketing standpoint.

“The tag also adds an element of consistency; value-added cattle are going to find buyers,” Simon states.

Across the country, the cattle already tagged have sold well. They were very well received through the video auction summer sales, and Simon says they are looking forward to enrolling more as the popular fall run approaches and collecting that price data.

### Marketing Success

What makes this program unique and adds value back to the cattle and producer are the marketing opportunities available. And SGBI and RAAA want producers to know they can assist with marketing as producers are breeding with these goals and stipulations in mind.

“As we continue to identify these cattle and determine what parts of the country they are in, we can group producers and help market cattle in one facet or another,” Simon adds. “We can’t do that if the tag doesn’t go in the ear first, but once those cattle get tagged, we can sure go to work for those producers to ensure marketing success.”

SGBI and RAAA are continuing to build those marketing outlets, predominantly in the Gulf Coast region. They have elected to sponsor the Superior Livestock Gulf Coast Classic Cattle Auction held in Natchitoches, La., in April of each year.

“From a video auction standpoint, we are hoping this sale will be the hub for these American Red cattle, but we also have a tremendous list of sale barns and auction markets that we are continuing to build relationships with, and will continue to look for opportunities with different marketing agencies across the country to promote American Red cattle,” Simon attests.

The most important part of this program is for the producer to be suc-



cessful. SGBI and RAAA’s first goal is to identify those cattle that can qualify, then educate producers on what it is going to take to enroll in the American Red program. It does require an investment in their herd bull battery to get them to their respective index averages, but the investment pays off.

### Genetic Rewards

“We are also driving home to potential buyers and feeders that there are genetic stipulations on this program,” Simon adds. “They are getting the upper end of these bull batteries siring American Red cattle. They are getting the total package, whether they are buying a replacement female or feeder steer, the stipulations are the same and they are the upper end of these cattle.”

As word of the program has spread, SGBI and RAAA have seen Santa Gertrudis producers looking into Red Angus sires and the reciprocal of that throughout the country, which shows good growth potential for this value-added marketing program.

“We’ve seen that producers breeding this cross are doing so many things right, that often there are cattle buyers coming through and buying the cattle

privately and not going through the auction market or video sale,” Simon discloses. “This speaks to the tremendous quality of the American Red cattle, yet we still want to know where they are and if there is something we can provide for those cattle being sold out in the country. That is a great sign showing two parties – the selling end and the buying end – that really like the cattle.”

### Enroll Today!

The American Red program wants to help commercial producers progress from just selling calves to implementing a true marketing program. It is enticing to order buyers and cattle feeders to get a consistent group of cattle. Both SGBI and RAAA hope this program can grow like wildfire when they begin marketing the best end of the cattle, putting together larger numbers of tagged cattle and creating hubs where American Red cattle can be sold.

“We are going to iron out wrinkles like any program has, and once we start putting the volume of these cattle that are tagged together, we are going to see documentable success,” Simon concludes. “It’s a long-term process but one with a great foundation underneath it.”

**Find enrollment information at [AmericanRed.org](http://AmericanRed.org) or contact Chessie Mitchell, Red Angus tag program coordinator, at [tags@redangus.org](mailto:tags@redangus.org).**