

IOWA GRID SUMMARY

Fiscal year 2020 was the first full year of harvesting cattle on the USPB grid at National Beef's plant in Tama, Iowa. The grid's basic concept is similar to those that are processed on USPB's grid at National Beef's Kansas plants: we compare your cattle to those purchased on the open market. If they're better, they bring a higher price.

However, there are several differences. First, all cattle harvested at the Iowa plant must be black-hided. Second, the Iowa grid starts with a dressed, delivered price reported by USDA from the Iowa/Minnesota region. Plant averages for quality grade are higher, but so are yield grade 4 and 5s. This can mean more yield grade premium

when feeders know their cattle and sort accordingly to harvest with less yield grade 4 and 5s than plant average, but still maintain a high-quality grade.

During fiscal year 2020, the average premium for all cattle delivered on the USPB-Tama grid was \$30.32 per head more than if they were marketed at the average dressed, delivered price. So far in fiscal 2021, premiums are averaging an impressive \$73.59 per head, thanks, in part, to a strong Prime premium in the marketplace. USPB-Tama cattle averaged 24.8% Prime so far this year.

For more information or to schedule cattle for the Iowa grid, please call 866-877-2525. ♦