

Farm Update

After considerable rain in June that built up a significant grass reserve, our weather has become more typical for us in that it has been extremely dry with no rain for the last 2 1/2 months. The massive fires that have been a part of the Oregon landscape the last 3 weeks have resulted in tremendous damage and overwhelmed our area with smoke that is like a dense fog. The cows and calves are doing well but we finally have started to feed hay. So far we have not seen any secondary smoke inhalation problems in our herd but we continue to be concerned about the smoke effects. The cows are bred back utilizing artificial insemination, and we should have some extremely interesting calves from bulls that have not been used in the last 20-40 years.

Quarterly Topic: The “Secrets” To Profitable Beef Production

Simplifying The Problem

When it comes to profitable beef production, the models for success and the variables they incorporate are almost limitless. No matter the size of your herd certain basic tenets apply. I will try to chart a simplified path to profitability while discussing the most salient points. My prejudice toward smaller producers (family farms) will undoubtedly be discernible but I still believe that many of the thoughts I have about beef production are scalable. The economics of beef production have changed dramatically the last 50 years as a result of beef genetics, production costs, government regulations, and consumer demands.

Compatible Cows

To me a “Compatible Cow” is one that fits the environment she is expected to be productive in, whether that is the grass fields of Missouri, the mountains of Montana, the deserts of Arizona, or Florida’s heat and humidity. As cattle breeds were developed to conform to specific regional conditions, such as the Tees River Valley in England for Shorthorns. Too often breeders expect cattle raised in the Western range will easily adapt to the fescue pastures of Missouri and vice versa. They don’t. Cows that grow up feasting on corn in Iowa will not rapidly adapt to a grass fed operation in Oregon. It takes up to 18 months for the flora in a cow’s rumen to adjust to a grass fed diet and some cows never adjust. The genetics used in developing and advancing the profitability of a herd should match the environmental conditions, management system, and the end market for the cattle being produced. When purchasing seedstock or a new herd bull it is extremely important to select cattle that fit your environmental conditions and management style. It is far better to buy cattle that have been selected for the genetic traits you want to emphasize and raised in a setting that matches the conditions on your own farm. Too often cattle breeders simply read the show ads, look at the EPDs, and then purchase what has been hyped. To me that is courting disaster. Purchasing compatible breeding stock save money in the long run.

Productive Fertility

Fertility encompasses many genetic traits and can be dissected ad infinitum; however, the old adage that the most important economic genetic trait in the cattle business is to have cows

that produce and raise a calf every year still holds true. Productive fertility takes into account several other factors. These would include pregnancy rate, calving ease, gestation length, and longevity. Longevity is often ignored with regard to fertility because breeders seem to forget that a cow producing 10 calves and then being culled for fertility issues has been a lot more valuable than a cow culled for the same reason after 4 calves. Bulls have to be mentioned because their ability to get a cow pregnant the first time she is bred can have a tremendous impact on productive fertility and thus, profits.

Feed Efficiency

Feed efficiency is really difficult to measure despite all the scientific studies dedicated to deciphering its complexities. Just because a feed trial says a particular bull gains 4 pounds per day in a structured setting does not automatically have real world relevance. Why? A well balanced quality feed bunk diet is not the same as grazing “pastures” in Wyoming. As mentioned earlier, rumen flora can have a dramatic effect on feed utilization. Melding milk production, foraging ability, grass conversion, and growth genetics will produce both feed efficiency and profitability. One of the best measures of true feed efficiency is to compare the gain rate from transitional weight to 205 days of age weight. Transitional weight is the weight of the calf at 84 days of age. That is the age where the calf becomes more dependent on its ability to convert feed instead of milk. The weight gain between 84 and 205 days of age is the best gauge of that calf’s ability to convert the feed/grass available in your management system. If a breeder’s goal is have feed efficient cattle, then selecting calves which have the highest rate of gain in that time frame will quickly move the feed efficiency “needle” in a positive direction and maximize profit.

Temperament

I can not emphasize temperament enough. Cows that are flighty and nervous can cost a cattle breeder a lot of money and result in a big headache. From decreased fertility and diminished feed efficiency to down right being dangerous, a cow that has a temperament problem can be a real profit eraser. Beyond that; her calf will emulate her histrionics and she will interfere with how other cows cooperate and function. She will truly be a “bad apple” spoiling the whole herd.

Health

As a veterinarian I continue to be amazed by how little emphasis cattle purchasers put on the health status of the animals they buy. With the increasing awareness of the the growing number of beef cattle with Johne’s Disease and Bovine Leukemia Virus, herd additions, whether a bull or a heifer, can introduce serious infections in a herd and cause massive financial losses. There are several other communicable disease problems that can be brought into a herd without the buyers knowledge. Buying good foundation cattle/herd bull, utilizing a comprehensive herd vaccination program, good parasite control, and proper nutrition will eliminate 97-98% of your herd’s health problems. The other 2-3% simply are just a natural consequence of raising cattle. Healthy cattle have lower maintenance costs, and are more feed efficient than unthrifty cattle.

Operational Costs

Operational costs can make or break any cattle production system. If your desire is to have the latest and greatest of everything associated with cattle production, from the fanciest hydraulic chute to the newest “dreamed up” genetic test, then your cost basis will be increased and your profits decreased. Farmers seem to have an almost ingrained susceptibility to the sales pitches made by vendors of agricultural supplies/equipment. Having economic sense entails making judicious decisions. Is this product really going to make me money or am I just following the latest trends? Taking an efficacious approach to management does not necessitate increased use of computer technology or using every genetic test that is promoted. Too often the cost/reward benefits simply do not “pencil out”. It is more important to use your economic and visual acuity to slice through the hype and develop your own management methodology that fits your herd, your location, and your market.

Marketing

Knowing your market, and producing cattle that fit that market, is vital in the cattle business. Whether you want to produce grassfed beef, sell seedstock, or run a cow/calf operation, focusing on a production system that efficiently minimizes costs, is time efficient, cow friendly, quality orientated and is properly marketed will maximize profit. Short change any of the aforementioned tenets of a good beef cattle operation and you may be looking for a new occupation. Be objective. Step back and visualize who your customer is and what they want to buy. Too often breeders leave their customers out of their decision making process and wonder why nobody buys what they are trying to sell. Customer engagement and promotion through an assortment of venues will create the proper bonding that is necessary to sell any product including beef cattle.

Concluding Remarks

I believe the opportunities for the cattle industry today are only limited by the ingenuity of the cattle producer. Be a leader. Utilize only the technologies which will move you in a positive financial direction. Constantly review your approach to raising cattle to avoid the “barn blindness” syndrome that frequently becomes imbedded in many cattle breeding enterprises. As the cattle industry evolves I continue to be a great believer in the “KISS” principle (keep it simple stupid). Overly complicating beef production, which seems the approach of many cattle breeders today, may result in small incremental increases in profit but is it really worth it? Pushing cattle and cattle breeders to their limit in a search for the last ounce of gain just doesn’t make sense to me. Quality of life for the cattle and their owners, is a foundation of the new beef paradigm which is unfolding with the modern sustainable or regenerative herd.

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