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### **BeefTalk: Calves, Cowboys and Pickups — Transportation Costs Are Often a Hidden Charge**

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Boy, I'm glad calf prices are up so I can drive the pickup. This may sound a little facetious--and it is. Transportation costs are a big issue in the cattle business because of the distances we all transport our beef production, whether it be to a preconditioning or backgrounding lot, a finish lot or a packing plant.

Stress on calves from transportation is well documented, and a proper health program is essential to keep calves alive and growing. A good health program includes vaccination with a seven-way clostridia at branding and a booster shot in September that includes a seven-way Clostridia plus a Pasteurella. Calves should also receive a four-way viral vaccine before weaning and again at weaning upon their arrival wherever they are moved to. These vaccination programs help calves overcome the health challenges that come with moving.

When a proper health protocol is maintained in concert with good beef quality assurance techniques, the dollars invested in moving cattle are more apt to be recovered.

Let's get back to those dollars. I was evaluating transportation costs, and of particular interest is the cost of pickups and the pulling rigs. At the NDSU Dickinson Research Extension Center, we lease vehicles and track all the costs

associated with those vehicles through the North Dakota Department of Transportation.

Currently the half-ton gas pickups are costing us 57 cents per mile, the three-quarter-ton gas pickups are costing us 54 cents per mile and the diesel one-ton pulling rigs are at 46 cents per mile. In contrast, the over-the-road sedan costs 26.5 cents per mile. (These costs are fleet prices utilizing volume discounts. Producer costs may be 10 cents to 15 cents higher than these figures. Your own values will most accurately reflect costs in your operation.)

These costs include operating, replacement and depreciation associated with the usage of these vehicles. In relation to the costs of a beef operation, the reading public continually reminds me "weaning weight of calves has very little to do with profit."

A cost conservative operation requires less weight of calf to sell than does a high cost operation. Ideally, producers need to strive to reduce costs and increase revenue. Well run operations have discovered that the little things are what add up to be big things. One trip to town isn't bad, but the next two just tripled the day's costs. The Center's ranch is 23 miles from the operations headquarters. Cattle are spread out in three counties, contained in more than 75 miles of three or four strands of barb wire fence. On a hot summer day, checking fence and water will easily put 150 miles on the odometer.

That one day of checking fence and water with the half-ton gas pickup costs more than \$85. Cattle are checked at least every other day, depending on what the water source is and our relationship with the neighborhood (some people just do not appreciate cattle on the wrong side of the fence).

Managing costs is not always easy, and cutting costs can be even harder. One managerial decision was to use a less costly vehicle, such as a sedan, because the mileage rate half as much as the half-ton pickup. That seemed like a good idea until the sedan fell in one of those infamous pasture ruts and the door was torn off getting it out. In some situations the least cost is not the cheapest.

Working cattle is not only difficult work but also entails a considerable dollar input. Well-planned days and elimination of extra trips will certainly cut back the travel costs. Remember, you can't manage what you don't measure.

Match the need appropriately and compare costs. Do you know what your pickup truly costs to drive per mile?

Remember, it is the little things that add up and bite you when you least expect it.

May you find all your ear tags.

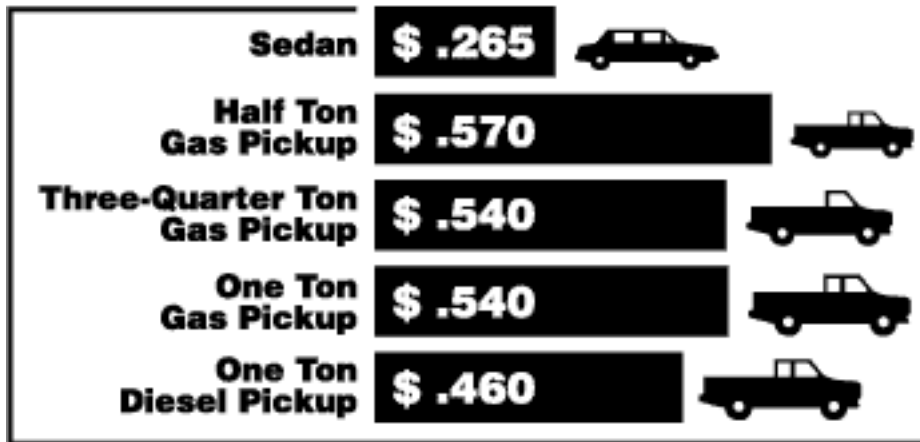
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## Ranch Transportation Costs Per Mile



Costs are fleet prices utilizing volume discounts.  
Producer costs may be 10 cents to 15 cents higher.

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