

2002 Steer Crop Provided Insights and Profits

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Our final closeout report on the 2002 steer crop arrived the other day. The North Dakota State University Dickinson Research Extension Center annually ships and retains ownership in all calves produced. This is done to allow for efficient data collection for the Center's research projects and give us interaction in the feeding industry.

The 2002 steer crop results were positive. Net profit with the feeding operation was \$67.61 per head for the first lot and \$45.38 for the second lot. Production traits for both lots were very similar with an average feed efficiency of 5.5 pounds of dry matter fed per pound of gain and an average daily gain of 3.2 pounds per day.

Feedyard managers said performance was outstanding on the cattle. In the second lot the number of choice carcasses decreased and the number of select carcasses increased compared to the first lot. The early-November lot had 65 percent choice or better versus 46 percent for the lot delivered in late December. The early lot had 34 percent select versus 50 percent select for the later lot. The Center's goal was for a few more choice calves in the second lot.

The obvious deduction is that as fewer calves grade choice, more calves automatically grade select. As the number of select carcasses increases, so do the odds that a carcass eventually will slip into the standard grade. In the 2002 calf crop, two carcasses graded standard. In addition, one carcass was a dark cutter meaning the meat had a very dark appearance.

Overall death loss for the year was acceptable as only one calf died, however treatment costs reached double digits in too many calves. We need to look at the closeout report to assess the improvements we made to the lots compared to last year and decide what improvements we should undertake for the coming year.

The first tendency is to look at individual carcasses, such as the standards and dark cutters. We lost \$114 and \$74 on the two standard carcasses and \$93 on the dark cutter. In contrast to the number of profitable steers, these three were the rock bottom.

Even in the more profitable November lot, three steers were in the running for the worst steer of the year. One select steer lost \$131, one choice steer lost \$119 dollars and another choice steer lost \$98. The last three steers never had one particular point to identify them as poor steers; they simply did not perform overall.

Previous data summaries remind us that cattle and financial performance in the feed yard is the sum of the whole. Data collected on production practices has shown beef producers that the sum of many little things done right is greater than one thing done best and surrounded by many little things done poorly.

So, sit down and savor the closeout reports and keep trying to focus on the big points. In order to survive in this business, cattle must do a few simple things well. They must gain efficiently. They must reach maximum allowed carcass weights quickly. They must grade within the targeted quality grade. They must maximize red meat yield. And they must remain healthy.

Given these principles, the Center's cattle have acceptable feed efficiency. About 80 percent of them hit the mid-range (650 to 850 pounds) in carcass weight. Some of the cattle (50 percent grade choice) are undersized in ribeye area compared to USDA values. And we need to reduce health treatment costs in the feedyard. But looking on the brighter side, the cattle made money as they are.

Given where we are, the future is strong, the cattle are efficient and progress will continue. The most important point is to know where you are and base your future on reality, not someone's opinion.

May you find all your ear tags.

Your comments are always welcome at www.BeefTalk.com. For more information, contact the North Dakota Beef Cattle Improvement Association, 1133 State Avenue, Dickinson, ND 58601 or go to www.CHAPS2000.com on the Internet. In correspondence about this column, refer to BT0154.

Five Basic Requirements Before Retaining Ownership

Cattle must:

- gain efficiently, converting dry matter into beef
- reach maximum-allowed carcass weights quickly, gaining rapidly everyday in the feed yard
- Grade within the targeted quality grade, according to the selected marketing grid
- maximize red meat yield, assuring low yield grades and reduced fat
- remain healthy through effective herd health programs