

Facility and Equipment Costs are Part of National ID Program

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A common point in many articles is a discussion or statement regarding speculation of potential funding if a national ID program is enacted. Seldom is there any discussion regarding the actual cost of cattle identification, which puts beef producers between a rock and a hard spot, because the ability to pass on added costs is very limited.

There is only so much a producer can allot in terms of dollars. The costs of source verification and/or identification to produce a functional, useable product go well beyond an ear tag. The records are only part of the equation. The biggest costs are the labor and equipment necessary to gather data.

At the Dickinson Research Extension Center, we have kept track of two costs: needed facility improvement and labor. The current Dickinson Research Extension Center labor estimate is \$7.68 per calf worked. This estimate includes labor to gather, work and verify 150 calves at \$12 per hour.

Effective and safe equipment must be available to protect both the labor crew and the cattle. The Center has been working on evaluating mobile equipment for the last two years, and the list of needed equipment seems to always be short a piece or two.

Cattle, once rounded up, must be contained in a corral system. Most ranches do not have corrals available at all locations so a logical solution is a set of portable corrals. A set of wheeled corral panels that folds out is utilized at the Center. The price tag, when purchased, was \$6,900.

Once the cattle are contained in the portable corrals, an alleyway and small holding pen need to be provided to guide the cows quietly into the chute. The chute, preferably a combination palpation chute, squeeze chute and scale, needs to be anchored or attached at the end of the alleyway to safely move the cattle through the facility.

The Center is currently utilizing a mobile system combining the concept of a small holding pen, alleyway and multiple use chute. The complete mobile system, including scale weigh bars and all electronics, was purchased for \$23,598. Given the corral and mobile working system, the Center has safely processed calves.

The working capacity of the system is an unknown figure since a day's calf work has many more constraints than just the working system. If the last two years of processing

calves on the road is any indication, a goal to work 300 calves a day is not achievable, with driving and setup time. Given four days a week from the first of July to the end of October, 70 workdays could probably be arranged, if the world was perfect.

If 150 calves were worked each day, (the Center's current working average is 206) 10,500 calves could be processed through the mobile system (70 days times 150 calves). Adding up the two major ticket items, each calf would need to contribute \$.60 plus interest and depreciation for the right to have access to the mobile system, assuming five years of active use on the equipment.

Once the systems are in place, the electronic tags would cost \$3.00 per calf and the reader to read the tag \$1,000. Chute side software and hardware will also add \$3,000 to the sale ticket. Assuming three years of useful life on the electronics and computing equipment, again, each calf would need to ante up \$.15 plus interest and depreciation.

Since the entire system is mobile, the two pickups required to pull the system would be estimated to travel 150 miles per day at \$.37 per mile (heavy tow diesel pickup including operating, replacement and depreciation), costing \$55 or \$.37 per calf.

So to date, on a per calf cost basis (assuming 10,500 calves are worked per year over 70 work days), the ticket looks like this; \$7.68 for labor, \$.60 plus interest and depreciation for the mobile system, \$.37 for travel, \$3.00 for the electronic tag, \$.15 plus interest and depreciation to use the tag and an estimated \$1.00 for someone to print a report. The cost is \$12.80 per calf.

More costs are added. We need to feed the crew at \$1 per calf and figure 20 percent for cost overruns. That increases the total to \$16.56 per calf. I just hope nothing breaks.

May you find all your USAIP 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 BT0186.

A Few Often Overlooked Costs Associated With Calf Record Keeping On The Ranch

Labor costs for gathering, working and verifying calves	\$ 7.68
Mobile system costs, excluding interest and depreciation	\$ 0.60
Travel costs for two pulling diesel pickups	\$ 0.37
Electronic tag and application	\$ 3.00
Tag usage costs, excluding interest and depreciation	\$ 0.15
Data retrieval and output costs	\$ 1.00
Crew per diem and travel expenses	\$ 1.00
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Subtotal	\$ 13.80
Cost overrun charge of 20%	\$ 2.76
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Estimated per calf cost excluding all implementation costs	\$ 16.56

Assuming 10,500 calves worked per year over 70 workdays utilizing labor to gather, work and verify 150 calves per day at \$12 per hour. No costs beyond the cow calf producer are considered.