BeefTalk: Control Costs, But Don’t Sacrifice Bull Nutrition, Health and Genetics

Cost management is critical and the obvious is not always obvious.

By Kris Ringwall, Beef Specialist

NDSU Extension Service

Cash costs are up a little bit or, some say, a big bit. However, the real answer is in the checkbook. Monitoring costs should be an ongoing process in all operations and any significant spike should be managed to minimize the impact.

However, the real costs can go unnoticed. If one is not careful, one can cut corners on things that really have significant impacts on production without having a significant impact on costs. One of those discussions could be on the cost of supplements or feed in general.

After noticing the upward spiral on grain prices, I reviewed the receipt file we keep at the Dickinson Research Extension Center for commercial bull feed supplement. Bull supplements are important.

The bulls do quite well on a high-forage diet. In an effort to assure a well-balanced diet and proper condition come spring, the bulls receive a commercial supplement.

Managing an inventory of six Hereford bulls, 10 Red Angus bulls, five Shorthorn bulls and five Loala bulls is no small task. The bulls are maintained in different paddocks, depending on their age, condition, weight, breed type and attitude.

The bulls are penned five bulls per paddock through winter. In the fall, they graze as a herd and, generally, get along quite well.

It won’t be long before they start noting the signs of spring. Although cattle are not real sensitive to daylight length, unlike some domestic and many wild animals, the longer daylight hours, warmer weather, eventual calving and a return of estrus in the cows will heighten the bulls’ attitude.

But for now, the bulls are somewhat content to remain confined. However, for most bulls, confinement is an image because, physically, most bulls could undo or simply go through many of the fences and gates they are kept behind.

At the center, bulls enjoy commercial feed supplements, which most would assume have increased in cost. Interestingly, in the fall of 2005, the supplement cost $4.20 per 50-pound bag. In the winter of 2006, the supplement still cost $4.20.

In the spring of 2007, the same supplement cost was $5.84. Toward the end of 2007, we purchased the same supplement and have been feeding 4 to 10 pounds of the supplement (depending on the bull’s size and
condition) during the winter of 2008. The price this year is $4.83.

The 2008 supplement price actually dropped from last year, but is up a little from the winter of 2005 and 2006. The point is that managers need to pay attention to details.

Cost management is critical and the obvious is not always obvious. As producers respond to increased costs involved with the beef business, it is critical to sort costs much like production.

Poor-producing cattle need to be replaced with better-producing cattle. Cash invested into an operation that does not contribute to the operation should be shifted.

It is critical to be astute enough to know what cash to shift versus the cash that is fueling the operation. Failure to invest in adequate nutritional programs, health protocols and proper breeding and genetics will spiral an operation down, as will overinvestment.

A quick review of prices from last year has many commodities escalating significantly. The challenge is to get the pencil out and start figuring. To eliminate costly mistakes, the business of agriculture requires decisions based on data, not quick blurbs or coffee talk.

For the center, the bulls will continue to get their supplements along with plans for active breeding this summer. The replacement bulls have not been bought, but good bulls are worth feeding. Getting some extra cows bred by healthy, well-conditioned and genetically superior bulls should be a goal of every operation.

May you find all your ear tags.


For more information, contact the NDBCIA Office, 1041 State Ave., Dickinson, ND 58601, or go to http://www.CHAPS2000.com on the Internet.