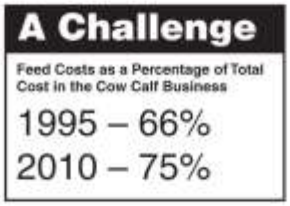
BeefTalk: Has Much Changed in the Last 15 Years?



Feed Costs as a Percentage of Total Cost in the Cow Business

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Following recent field days, several thoughts about cow size surfaced, which triggered some discussion. In fact, as attendees and students were reviewing previous discussions on what are the best cow systems, they could not help but notice a change at the Dickinson Research Extension Center.

The center's March-April calving system to maximize calf growth and minimize calf age at harvest had somehow switched to a May calving system and later calf marketing. Words, such as yearlings and grass finishing, certainly were surfacing and even questions about the appropriate cow size were being asked.

In essence, a review of what was happening at the center was in order. Change never should be quick or impulsive. Previous generations have spent years trying to understand and develop beef systems appropriate to an individual producer's environment because there isn't a beef system that works for everyone. However, to put a working ranching scenario up to the throw of the dice would be ridiculous.

Most operations will have cows that have lived through more than one cattle cycle and still are producing, so even changes in cattle type will not occur quickly.

When did the DREC start moving toward change? Truth be told, the seeds were planted in 1995. At that time, a project was proposed but never accomplished. The premise was simple: Cow-calf producers need to be cost-conscious and production-wise.

At that time and somewhat true today, much of the beef cow management focused around production. This is understandable because the total output or the level of beef production is under the total control of the producer. Generally, producers accepted the limitations imposed by the various biological types of cattle and concentrated on improving or maintaining production levels within their herds.

At that time, astute producers reached production goals that once were considered unattainable. The Cow Herd Appraisal of Performance program records substantiated herd managers who attained 99 percent pregnancy rates, 96 percent weaning levels and 678-pound weaning weights.

This translated into 623 pounds of marketable product for each cow maintained in the breeding herd. Those producers were and are production-wise and continue those same production levels today. However, cost and labor-conscious producers certainly were expressing some concern.

Then and now, uncontrolled costs cannot be erased or controlled simply by increasing production parameters. The biological limitations of the cattle, as well as the labor limitations of the producer, cannot outpace costs.

Some real questions were being asked that involved controlling costs. Interestingly, back in 1995, feed costs were the major component. For those producers, their total feed costs per cow per year were less than $250. These feed costs accounted for two-thirds of the total production costs. Today, we are looking more at $300 for feed expenses, which accounts for approximately 75 percent of total direct costs.

Producers cannot feed themselves into profit. That something needs to give was the writing on the wall in 1995 and remains on the wall today. As hypothesized then, most cattle operations have static management calendars due to the difficulty of keeping a cow on a 365-day calving interval and managing the labor demands of calving around other farm enterprises.

However, the quantity and quality of the feed required and total dollars invested in facilities and equipment are influenced a great deal by the selected calving season. Adding in cow type, here we are more than 15 years later asking the same questions. What are the right calving season and the right cow to maintain sanity and profitability?

The center did not jump off a cliff to answer the big questions. Instead, smaller questions were answered gradually. Therefore, the study that would evaluate production costs and herd performance for late-spring (early May) calving in contrast to the traditional spring (late-March, early April) calving in southwestern North Dakota is ongoing.

The first question tackled was decreased cow size. The effort at the center to decrease cow size failed because the decreased size sucked the muscle right out of the cattle. Scratch two years of breeding efforts in 1997 and 1998. The center regrouped and tried again, using smaller cattle that had adequate muscle.

I'll give you the results next week.

May you find all your ear tags.