Feeding Cattle in the Region

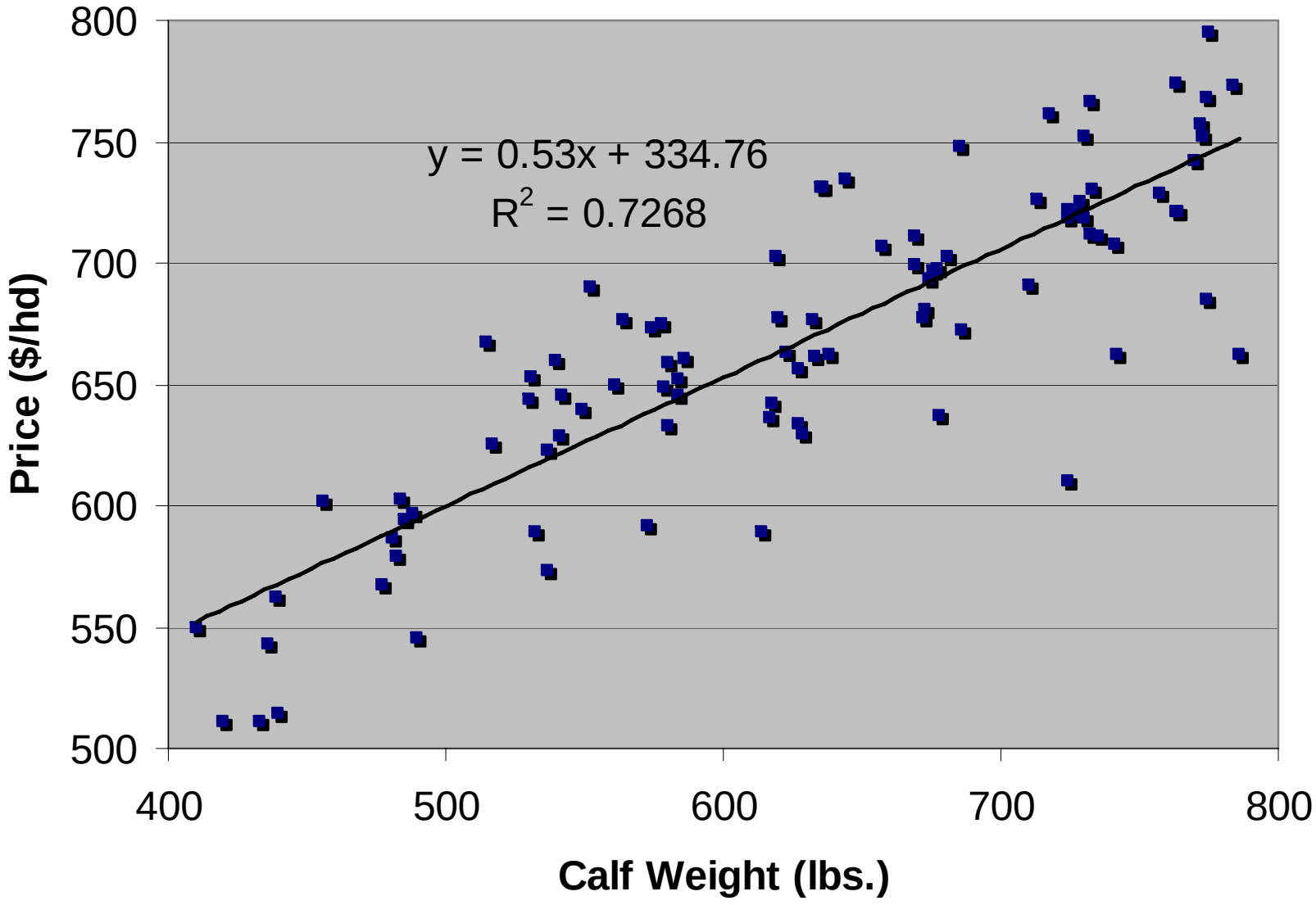
Investigating the Opportunity

Regional Resources Available

Industry Trends

- $3.00+ Corn Era (narrowing price slides)
- Continued Concentration
- Price Cycle Down
- Product Branding and Differentiation
- Natural and Organic Growth
- Alliances (supply chain integration)
- Added documentation (PVP, ID, ...)
- Greater Regulation
- International Competition
- Structural shift ??

Effect of Calf Weight on Price-January, 2007 (400-800 Lbs)



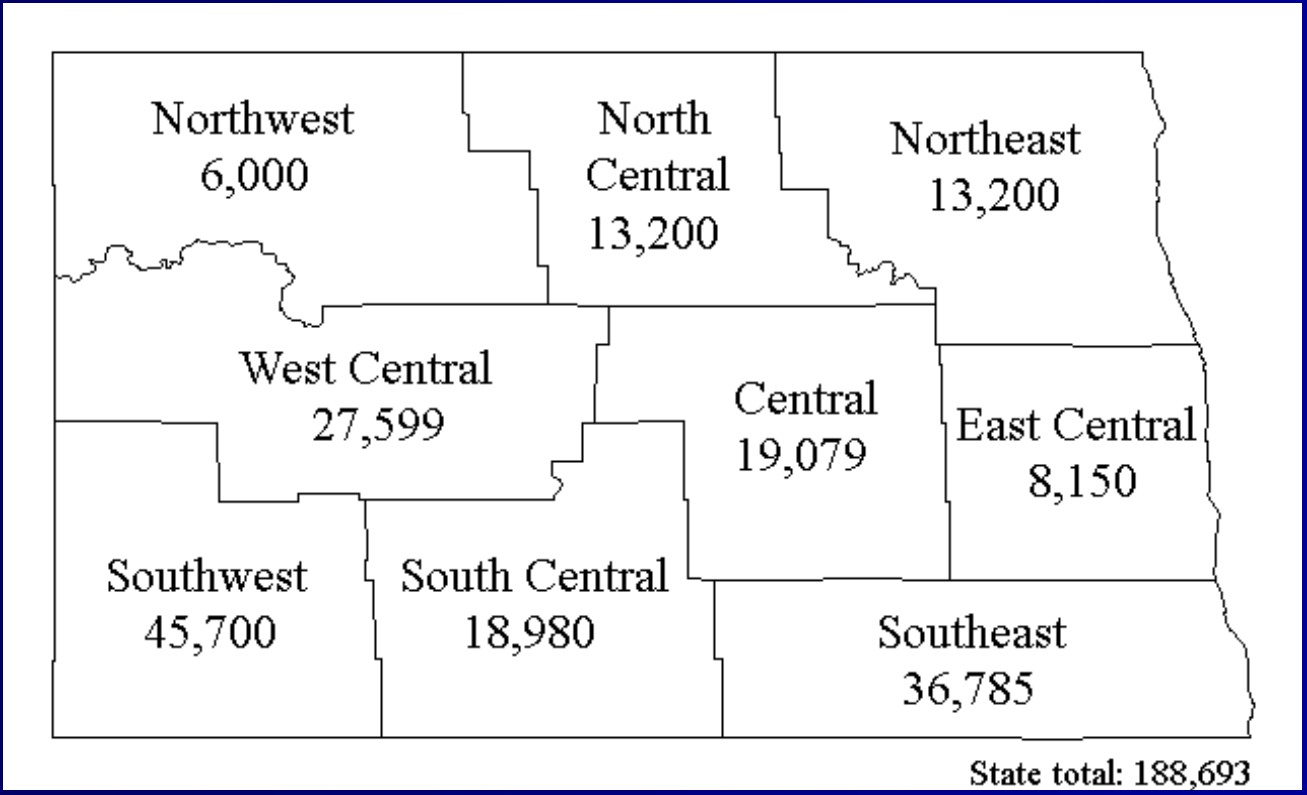
Cattle Feeding Requirements

- Source of cattle
- Competitive reliable feed
- Favorable climate – temps, rainfall
- Capitol/financing
- Land/facilities/equipment/infrastructure
- Interest and knowledge
- Services – vet, trucking, feed
- Markets
- Labor

Cattle Numbers
5 NW ND & 4 NE MT counties

- Beef cows 200,700
- Cattle Fed 69,500
  - Bulls 8,000
  - Replacement heifers 30,000
  - Feeders 31,000
  - Finishers 500
- Feedlots
  - ND 180+
  - NW ND 6
- Feedlot Expansion/Construction 200
- Cost share applications 06 53 (37 5M)

North Dakota districts' feedlot capacity



* Counties within a district correspond with those used by the North Dakota Agricultural Statistics Service.

Capital Cost Summary (NDSU 1997)

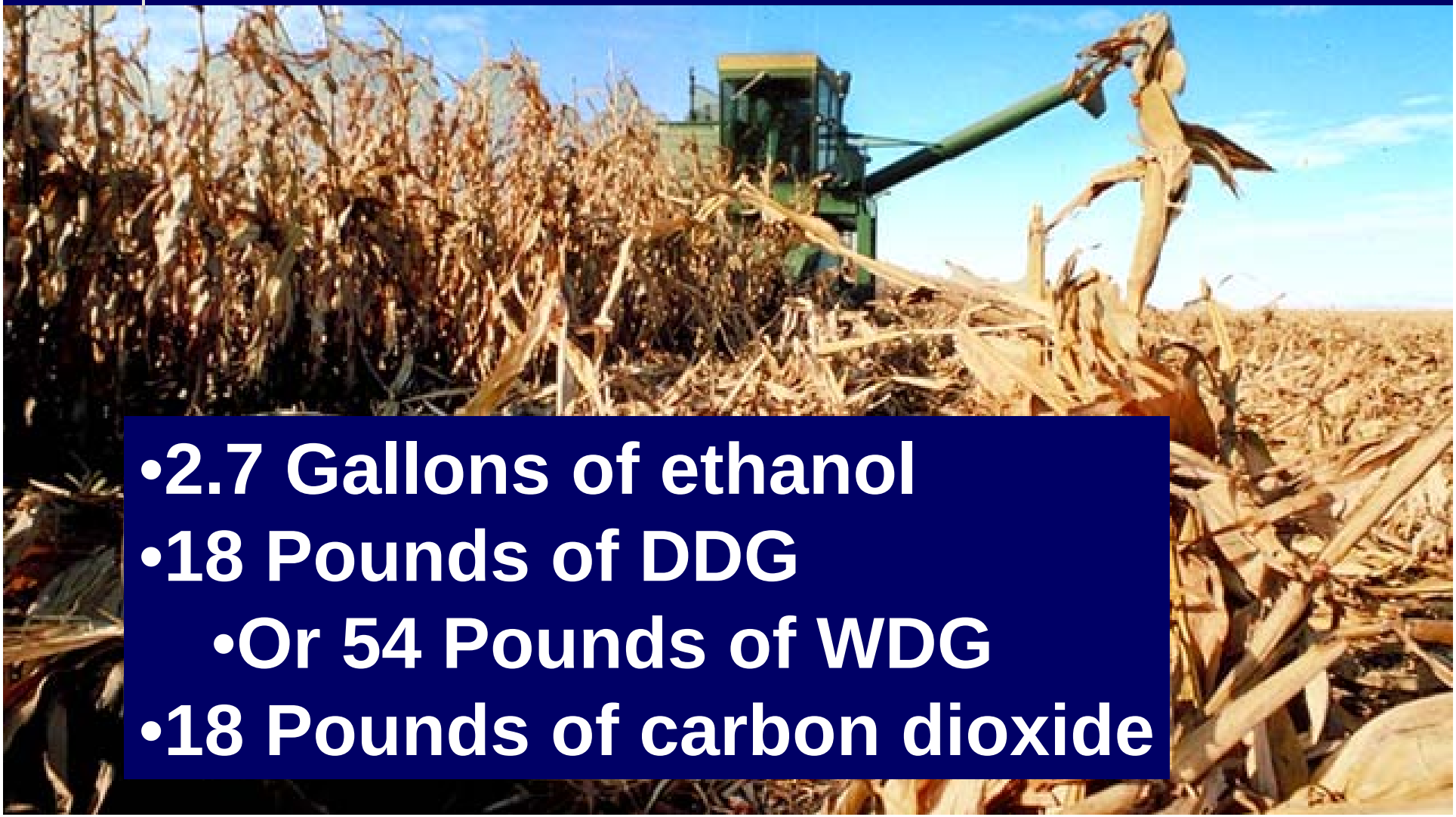
Feedlot Size	Lot Land	Building	Equip Mach	Total	$ Per Head
1000	156,111	54,720	251,970	462,801	$467.80
5000	636,409	174,797	583,270	1,394,476	$278.90
20000	2,222,945	517,594	2,119,014	4,859,553	$242.98

	Feeder	**Finish**
Feeder Cost	600	765
Feed Cost		
Grain	60 (20bu)	165 (55bu)
Forage	30 (.6T)	25 (.5T)
Supplement	15 (120lb)	25 (140lb)
Bedding	10	10
Vet & Medicine	10	10
Fuel/Utilities	5	50
	$725/ head	**$1050/ head**

Local Feed Resources

- Large farming base – high potential
- Limited irrigation
- Forage crops should be captive to feedlot
- Low cost opportunity feeds
  - screenings, damaged crops, feed barley
  - Midds, DDGS, WDGS, oil seed meal, pressed pulp
  - Crp hay, stover, aftermath
- Finishing requires high quality grain and forage – grain costs are critical
- Backgrounding uses good forage supplemented with grain and byproducts

One Bushel of Corn Produces:



- 2.7 Gallons of ethanol
- 18 Pounds of DDG
  - Or 54 Pounds of WDG
- 18 Pounds of carbon dioxide

How about our Winter Weather?

Cold Weather Feeding

- Greater intake and maintenance
- Performance can be high
- Wind protection and bedding critical
- Snow and storm work, preparations, and cost
- Ideal feeding climate in much of the rest of the year

LAND - approximately 1 ac/ 100 hd
- manure disposal <.5 ac/hd

Site List:

- away from streams
- good water supply
- clay soil base
- 2-3% S or E slope
- setback from towns and neighbors
- roads and power
- natural protection

Federal, State, and Local Regulation
Permit to Operate
Containment of Runoff
Nutrient Management Plan

ND Department of Health is the Regulating Authority

Size requirement: CAFO 1000 AU
Mid AFO 300-999AU
Small AFO <300 AU

Lagoon capacity: 25 year –24 hr storm

Manure Application: crop capacity

Cattle Feeding - has a positive and modest impact on the community

More Feeding - because

- better markets for pooled preconditioned sorted calves
- capture value in superior cattle
- utilization of byproduct feeds
- keep more people involved in agriculture
- Economic diversification