

Producing and Marketing Predictable Calves An Order Buyer's View

Lemmy Wilson

CEO Wilson Livestock Network, Inc.
Newport, Tennessee

Let me share with you the conditions around my acceptance of this assignment. I was in Augusta, Georgia on a cold January Monday in the parking lot of a Red Lobster Restaurant on my cellular phone when my office manager told me to contact Jim Selph in Arcadia, Florida.

I had just returned from some nice warm, Florida, January weather and it was so cold and miserable in Augusta that day; so you see I was most vulnerable.

I will attempt to give you my best understanding and insight of producing and marketing predictable calves.

The producing side of "Predictable calves" is the first important item that I feel we must briefly consider. Our females are the "kind" and that brings an image to mind. She is a cow that will produce an upper end medium frame calf with #1 muscling and will deliver and grow that calf with the greatest of ease. She has all kinds of mothering ability and is going to present you with a healthy, happy calf at weaning time. She is the kind of female that is an easy keeper, good mother and has long productivity.

Then we've got to take a look at the other 50% of our calf crop, Bull Power. We all know that our bulls are 50% of our calf crop, but we seldom really practice what we know. Bull selection is very important to a successful calf producing program. Our animal scientists can give us all the details of EPD's and how to go about selecting the right kind of bulls for our herd. My advice is simple: Select a bull whose calves are born small, then have a fast growth rate with desirable muscling and feed efficiency. (Really quite simple.)

I realize that the Florida cattleman has climatic conditions that are different from other cattle producing areas of the United States. I would be the first to say that adapting to your climate and environment is a must, then work on the other characteristics for predictable feeder calf production. How much ear should you have in your calves? I'll answer this way : As I see the U.S. trade, you want as little ear as possible and still get the job done in your operation. Of course, you must always respect and consider your climate. I have watched the "eared cattle" phenomenon for the past 30 years and it has been interesting. It's like ladies fashion - it continues to change - and so has your market.

When the Southern California and Arizona feed lot industry was booming, you had a ready market for your light weight, heavy eared calves. I was talking to Bill Ragland the other day. He lives on the Gulf Coast area of Texas and has been involved in the order buying business for about the same number of years as myself. He was telling me that in the seventies and eighties he could always count on shipping 100,000 head of heavy eared Texas East Coast calves to California. He said that business was completely gone today and his customers were growing Holstein calves from 300# to 700# and then shipping them to Kansas. Conditions have changed dramatically and the cattle feeding area of the U.S. is the Great Plains from Texas north through Nebraska.

It is my opinion that this general area of tremendous feed production will be the center of cattle feeding in the U.S. for a long time. If this is true, then you need to be producing feeder calves for this market. The farther north on the

plains, the less ear will be accepted during the colder parts of the year. The summer feeding months of May, June, July, August, and September are your best weather months for "eared cattle" feeding on the plains. I believe eared cattle need to be handled in such a way that they show up in these feedlots during these warm months.

Your breeding season needs to be tight (90 days), and successful; plenty of bull power and cows in the right nutritional condition to conceive. Protection and immunization from reproductive diseases is a must.

Calf care is a continuing endeavor - first, a live calf on the ground; second, a healthy, fast growing, weaned calf; third, adequate records on birthing, milking and performance to do effective culling.

Calf health is so important and so neglected in the Southeast. You must prepare your calf for **M&M (Movement and Marketing)**. Things can get very critical at this point in a calf's life. If you have properly vaccinated for IBR, PI3, BRSV, BVD, H.Somnus and Pasteurella, you have really improved the chances for your calves to be predictable. If you haven't properly protected your calf crop for **M&M - Movement and Marketing** - then there will be a great deal of **S&D -Sickness and Death**.

According to my experience, I want to tell you how bad it really is on S&D - **Sickness and Death** - for Southeastern calves. The average load of assembled Southeastern calves shipped 1200 - 1500 miles and then straightened out is as follows: 50 - 60% have some degree of sickness and require treatment, 3 - 10% will die, and 2 - 5% will have some type of chronic problem that will severely limit production and efficiency. The dollar cost of this problem is alarming.

If I had the power to make one change in our cattle business in the Southeast, and only one change, it would be: A good calf vaccination program on the farm prior to weaning. This would do more for our industry

than any single change we could make.

I realize that many of you are doing these good practices, and I applaud you for your good management.

Now we are ready to address the marketing aspect of this predictable calf issue. If you have a quality, predictable product, then you certainly need to market in the most effective manner to get paid for your efforts.

There are many alternatives:

You have (1) Private Treaty - which places considerable responsibility on you as a producer to be well informed on the market and all factors that are influencing the demand and value of your calves. (2) Auction Markets provide the vehicle for marketing the greatest number of Southeastern calves at the present time. They always offer the service of turning your calves into cash on a regular weekly basis. The growth of local auction markets in the Southeast in the past 50 years has been phenomenal. (3) Video auctions are a relatively new method of marketing, but are growing at a rapid rate. It appears to me that this type of marketing will continue to develop as the leading price discovery and marketing method for the Southeast. The most significant drawback is that many small producers don't have enough volume to make up a trailer load lot. In my opinion it is the most efficient and effective method available to us at the present time. (4) Of course, retained ownership is another alternative in marketing. If you have genetic superiority, adequate financing, risk management skills, and some good gambling blood in your veins, you are a good prospect for retained ownership through a grazing program and then finishing your calves in a commercial feedlot. I believe retained ownership offers some real advantages to a few select calf producers, but is certainly not for everyone.

I want to share some hard nosed facts with you about marketing. I believe that some method of competitive pricing generally increases your return in marketing your calves.

I know that uniform trailer load lots of properly handled and adequately vaccinated calves will bring you a premium plus. I want to repeat - UNIFORM - TRAILER LOAD LOTS OF PROPERLY HANDLED AND ADEQUATELY VACCINATED CALVES WILL BRING YOU A PREMIUM PLUS.

Selecting your market person or marketing company is a very important part of your overall program. You must look for honesty and honorability. Take time to find out about the people you are planning to use in your marketing program. Do they appear to be knowledgeable well informed, solid people, or all talk and glitz? Are they the kind of people that have a good financial record and is their financial condition solid? Have you requested references and bank information? The Livestock Marketing Association has a Livestock Board of Trade that can give accurate, timely information. They only need the company name and bank name. Their phone number is 800-821-2048. It is critical that you take the time to answer all these questions when you are selecting your market person.

Now in Summary:

Let's produce a medium #1 muscled, feed efficient, choice, yield grade 2 slaughter animal that has health and performance predictability.

Let's have a tight breeding schedule with plenty of bull power from good bulls.

Let's give good, knowledgeable, complete calf care from birth to marketing.

Let's have a proven health and vaccination program that ensures an efficient, productive calf for your buyer.

Let's select a marketing program that will create **adequate competitive pricing** for your calf production or a retained ownership program that will capitalize on the **genetic superiority** of your calf crop.

My one final wish is that we as cattle people will always be ready to change and adapt to meet the coming challenges of the beef cattle industry. I would also wish that our children and grandchildren will be able to enjoy this great cattle industry, as we have, and feel the joy and satisfaction that it brought to our generation.