

Lamar County Cattleman's Association

Vol. 1 No. 1 Newsletter for August 20, 1998

Starting Out

Our Association will have a newsletter that will be supported by advertising and subscriptions (membership dues). This is a mockup version just to give members an idea of how it may appear. The newsletter can do many things. It can be:

- a conduit for inter-association communication;
- the dissemination of new ideas;
- a means for highlighting members who have successfully advanced profitable management techniques other members may be able to adopt;
 - a forum for papers submitted by guest speakers and experts;
 - a calendar of events;
 - an advertising medium for suppliers to the beef cattle industry and members of the Association;
 - and more.

Our newsletter will have a wide variety of inputs covering all aspects of the family enterprise of raising beef for the American consumer. Consequently if you have applicable articles to contribute, the Association wants to hear from you.

The primary focus of our Cattleman's Association is to develop a stronger, more profitable beef producing industry in our community where the beef industry is a true cottage industry. To date, beef production is one of the few remaining cottage industries in North America yet it supplies product nationally and internationally.

Beef's primary competitors are chicken and pork, two industries that are no longer cottage industries. If what happened to chicken and pork happens to beef, cattlemen will no longer own cows. We may own land, but we will only be able to run a "New Yorker's" cows on our land if our husbandry practices measure up to his standards.

The alternative to working for a New Yorker is to face the challenges of the future and take them head on. To do so means we cannot be politically correct. We must deal with facts, science, and the bottom line. It also means we must change with the times. At this year's Texas A&M Beef Short

Course, if each of us had received \$1 for every time a speaker said "change," we could probably retire and go to the beach. If the speakers at that course are only half right, we must pay attention to what they are talking about or get out of the business while we still have a shirt on our backs.

About a century ago cattlemen took their cattle to market by herding them to Dodge City in big cattle drives. As dramatic as the changes were between then and now, the changes being proposed for our industry in the next five years may be just as dramatic. Are you prepared for that big a change?

The most dramatic change coming our way is a solution to beef's "eating experience" problem. It is estimated that 25% of the beef consumed in America is a bad eating experience. In other words, 25% of the beef cattlemen raise is tough, dry, and/or not very flavorful. The second biggest change is going to be "trace-back." In trace-back, the consumer will be able to trace back every critter that enters the food chain to the individuals who managed, transported, and/or owned it. Both of these changes will have a very big impact on every cattle producer.

In our industry there are two primary players. They are the consumer and the cow-calf producer. All other entities in the beef trade fit somewhere in-between or off to the side. Unfortunately, the cow-calf end of the business has little if any contact with the consumer. Consequently, cattlemen rarely hear consumer criticisms. In fact, the way a lot of folks breed and manage their cattle, they must be pretty grateful about being able to market their critters anonymously. And, folks like that hurt everyone us who is trying to do better. When a buyer sees some bad apples in the barrel, he automatically lowers the price for the whole barrel of apples. That can happen with cattle too.

The solution for improving the consistency of beef's eating experience will be primarily genetic related and secondarily management related. The most important innovation will involve gene map-

ping of cattle for not only economic traits, but also eating experience. Eventually, when beef quality is graded on eating experience rather than intermuscular fat, today's method of grading meat will disappear forever.

Trace-back's benefits will be that it forces cattlemen to change their attitude about how they breed and manage their cattle. For sure it will increase a livestock producer's liability for health problems he may initiate. More importantly, though, trace-back will provide stocker, feedlot, and packer managers a way to find out who raises the good cattle and who raises the bad cattle. By good we mean cattle that can efficiently convert forage and feed to beef and be a good eating experience.

As a consequence of these changes in the foreseeable future, it is vitally important for the beef producers in our cottage industry to upgrade their management techniques and develop new habits that will profitably stand by them in the years to come. In this vein there are three basic elements to work with for improving profitability. They are: increase the pounds of beef sold; decrease the costs per pound of beef sold; and improve marketing techniques. Quality is a given because the time is coming when there won't be a market for poor quality cattle. Consequently, knowing how to optimize the three basic factors influencing our profitability will be our Association's focus in the years immediately ahead.

Why?

Some people ask "Why do we need an Association?" The answer comes with the strength of working together with a common goal. Just about everyone who raises cattle in our area knows a great deal about the business. But his knowledge is limited vertically to his own experiences. When two cattlemen from our area get together, their horizontally combined knowledge about beef production may be 20% greater than either one individually. (That is unless they've been meeting at the same coffee shop for their entire lives.) Now think about how much horizontally accumulated knowledge 1,000 cattlemen from our area may have about our business compared to just one man. If you add in the inputs from professionals from outside our area, our knowledge about the development of our business can expand exponentially. If we also work together in marketing our cattle we can get a better price per pound of beef sold. Increased knowhow and marketing strength are two reasons why an Association with goals for mutual benefit will pay off.

Jack Brainard, a stock horse trainer (940-365-9370), says that to train a horse you must: constantly analyze, associate with people who know more than you, be receptive of criticism, be persistent and stay with it, and use your power of observation. I think his guidelines for training horses applies to the cattle business too, and they underscore the reason for having a Cattleman's Association. (By the way, Jack says he'd be pleased to hold a clinic on horsemanship if our Association got together with the Stock Horse of Texas Association

and sponsored a one-day clinic.)

To expand our horizons and increase our profitability a lot of topics have been proposed for future meetings. Already for next month's meeting (the date has not been set yet) our Association has tentatively arranged to have Robert E. Carter of C Bar Feedyard speak on the feedlot experience. He was a speaker at Texas A&M's most recent Beef Short Course and is a speaker at their 808 Course. He has also volunteered to help us run a contest for feeding our cattle that could be our Association's first big promotional event.

The list of future meeting topics includes:

- ✦ Using EPDs Effectively
- ✦ Improving Livestock Ponds for Faster Growth
- ✦ Boosting Earnings with Controlled Grazing
- ✦ Efficient Ranch Plans
- ✦ Constructing Inexpensive, Permanent Electric Fences
- ✦ The 45-Day Breeding Season
- ✦ Raising Cattle Without Hay to Lower Costs
- ✦ Castrating 850-Pound Bulls
- ✦ Pooling of Interests for Greater Profits
- ✦ The Case For Feeding Your Own Cattle
- ✦ Alternative Markets
- ✦ Getting the Minerals Right for Conception and Health
- ✦ Establishing a Profitable Cross-Breeding Program
- ✦ Planting a Profitable Winter Pasture
- ✦ Operating a Profitable Stocker Operation
- ✦ Importance of Preconditioning Calves
- ✦ Inexpensive, Effective Fly Control

- ✦ Livestock Handling Methods & Facilities that Increase Profits
- ✦ Keeping and Utilizing Records for Greater Profits
- ✦ Key Genetic Aspects of A Profitable Cow-Calf Operation
- ✦ Understanding the Long-Wave Commodity Price Cycle
- ✦ Weed Control Pays Large Dividends
- ✦ Establishing a Mixture of Legumes in Pastures to Improve Returns
- ✦ Pros and Cons of Summer Annuals
- ✦ Tours of Lamar County Ranches

This list has some topics a few beef producers may find objectionable. That is due to our wide variety of experiences. All of us are dealing with problems we want to solve. But in nearly every case our problems are not unique. Therefore someone, somewhere, has probably confronted our problems before and solved them. In other cases we may have a problem and we don't even know it! So, when we hear someone respond to a new idea that has been documented to work with the catch phrases that, "He's nuts, you can't do that here." or "It won't work for me." think about this. That man may be right. Then again he may only be partially right. But when he's wrong his approach to change may cost him money day in and day out.

Is our area-wide beef producing industry prepared to meet tomorrow's changes head on? Only our actions will provide the answer. When we study the changes on the horizon, we can visualize a

time when the beef producers who are not tuned in will be phased out of the cattle business. They will not be forced out of the business, they will phase themselves out because they will not like the price they get for their kind of cattle. Our Association wants all of the cattle producers in our area to be able to profitably compete in the beef industry of the future. That is the purpose of creating our own Association.

Our Association can only work for us if we have enthusiastic members. It can work with a small number of members. But it will be many times more effective with a large membership base. Marketing coordination, promotions, professional management presentations, ranch tours, a newsletter, and the organization itself all cost money. So in the weeks ahead we have our work cut out for us. Our Association can happen. But it will take a major effort to launch it. That is why the Association is asking producers to let it know how they can help out. Categories include:

- 1) Active, interested member.
- 2) Member who can help recruit additional members.
- 3) Member who can assist in the Association's functions.
- 4) Founding Member who can participate in various levels of organization, direction, and implementation of the Association's goals.

So, let us know what you can do.

How Do Traits Rank Economically?

Everyone doesn't follow the fads. But it seems far too many cow-calf producers have forgotten the economically important traits for profit optimization. So here are the traits with the most important traits listed first in terms of impact on profits.

1. **Fertility:** a cow must calve every 12 months.
2. **A live calf:** low birth weights and adequate pelvic size.
3. **Mothering Ability:** a cow must milk and care for the calf.
4. **Weaning Weight:** a good-sized calf at weaning.
5. **Yearling Weight:** above average rate of gain and good feed conversion.
6. **Carcass Quality:** Select, Yield Grade 3 or better.

The feedlot operator's profitability ranking is slightly different.

1. **Health:** A preconditioned calf that remains healthy.
2. **Feed Conversion/Rate of Gain:** Efficient and rapid conversion of feed to pounds.
3. **Carcass Quality:** Select, Yield Grade 3 or better.

As we can see, color and breed are not a factor in determining profitability. The type of cattle is the most important factor. Within every breed there are some great cattle and some sorry cattle. As a cow-calf producer the decisions we make in bull selection not only impacts next year's calf crop, but it has a lasting impact on the future of our industry through our retained heifers. Consequently, for a healthy industry today and tomorrow, bull selection

is one of our most crucial decisions. Keep in mind that, generally speaking, great bulls, which cost more, are the least expensive bulls because they are the better producers. Poor bulls, which cost less, more often than not are the most expensive bulls because they are the poorer producers.

Quality bulls are performance tested and they have good EPDs (Expected Progeny Differences).

EPDs are numerical measures of a bull's traits in terms of relative performance within his respective breed. Just because a bull has EPDs, that does not make him a good bull. EPDs are a measure of relative performance within a breed. So, half of the EPDs are below average and half are above average. Where do you want your product to rank in the beef industry?

Sample Advertising Section

Cattle Breeders

- Creighton Ranch 903-785-3958
The best in registered Angus Bulls, performance tested with EPDs
- Slanker's Polled Herefords 903-732-4653
Polled Hereford Bulls, performance tested, forage raised with EPDs

Farm Equipment

- Paris Implement 903-784-6673
Tractors, Implements, and Gators for the modern cattleman
- Larue Ford Tractor 903-784-7627
Tractors, Equipment, and Parts

Feed Dealers

- Big Tex Feed Co 903-785-1681
Custom Feed, Bulk and Sacked
- Valley Feed Mill 903-785-3501
Custom Feed, Bulk and Sacked

Fertilizer

- Unruh Fertilizer 903-785-9740
Fertilizer and Lime

Ranch Consultants

- Quint Creighton 903-784-2064
Breeding and Cattle Management Consulting
- Ted & Chris Slanker 903-732-4653
All Aspects of Beef Production & Forage Management

Ranch Supplies

- Big Country Farm Center 903-785-8372
Feed, Health Products, Fencing, Cattle Handling Equipment

Veterinary

- Don Anderson 903-982-5222
Mobile Large Animal Practice
- Paris Veterinary Clinic 903-785-1833
Large and Small Animals

Aim to Profit

- ✦ Select bulls based on EPDs first and visual appraisal second.
- ✦ Establish a 45-day breeding season.
- ✦ Use a minimum of a two-breed and at most a three-breed cross-breeding program.
- ✦ Precondition all calves prior to transport or sale.
- ✦ Retain ownership from Ranch to Packer.
- ✦ Use future hedging strategies on stocker and feeder cattle.
- ✦ Utilize controlled grazing for top quality forage management.
- ✦ Establish clean watering points for all livestock.
- ✦ Have a strictly adhered to vaccination and worming program.
- ✦ Test your forage quality and match your mineral requirements accordingly.
- ✦ Have a fly control program.
- ✦ Have a plan.

Cost of Gain at Indicated Rate of Gain Per Day with Per Ton Feed Cost of: \$120

Weight		2.00	2.25	2.50	2.75	3.00	3.25	3.50	3.75	4.00
In	Out									
550	1150	\$0.765	\$0.680	\$0.612	\$0.556	\$0.510	\$0.471	\$0.437	\$0.408	\$0.383
650	1150	\$0.810	\$0.720	\$0.648	\$0.589	\$0.540	\$0.498	\$0.463	\$0.432	\$0.405
750	1150	\$0.855	\$0.760	\$0.684	\$0.622	\$0.570	\$0.526	\$0.489	\$0.456	\$0.428
850	1150	\$0.900	\$0.800	\$0.720	\$0.655	\$0.600	\$0.554	\$0.514	\$0.480	\$0.450
550	1250	\$0.810	\$0.720	\$0.648	\$0.589	\$0.540	\$0.498	\$0.463	\$0.432	\$0.405
650	1250	\$0.855	\$0.760	\$0.684	\$0.622	\$0.570	\$0.526	\$0.489	\$0.456	\$0.428
750	1250	\$0.900	\$0.800	\$0.720	\$0.655	\$0.600	\$0.554	\$0.514	\$0.480	\$0.450
850	1250	\$0.945	\$0.840	\$0.756	\$0.687	\$0.630	\$0.582	\$0.540	\$0.504	\$0.473

Lamar County Cattleman's Association
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Now's the time. Tomorrow's too late.
Become a Charter Member of your
Cattleman's Association.