July 21, 2014

# COWCHIP

**DATES TO REMEMBER:**

August

| | |
|---|---|
| 8 | Deadline for Master Cattleman Registration (see article) |
| 20 | Weed Tour, UL Cade Farm, 5:30 p.m., Weed Control Demonstrations on Fence Lines and Prickly Soda and Blue Vervain |

**MASTER CATTLEMAN:**

We will be offering the Master Cattleman Course again this year. It is a series of 10 classes that will be offered starting late August 2014 and will conclude late October. It will be every Monday evening during this time except for Labor Day. Each class will last about three hours, starting at 6:00 p.m. A meal will be served at each meeting. The cost is $125.00 per person to cover meals, teaching materials and a metallic sign for all graduates.

Subjects included in the course are:

- Nutrition
- Pasture Management
- Breeding and Genetics
- Reproduction
- Herd Health
- Cattle Handling
- End Product
- Record Keeping
- Marketing

In addition, the Environmental Stewardship portion of the Master Farmer course and Beef Quality Assurance class are required for graduation and will be offered.

If you are interested in this course please fill out the enclosed form and return it along with a check made payable to the Vermilion Parish Cattlemen's Association by August 8th.

**COMPARING BREEDS OF BULLS:**

Comparing Expected Progeny Differences (EPD's) from one breed to another breed can be a confusing procedure. And why would you ever need to do so? If you need an Angus Bull for your breeding program then why would you consider another breed? With the preference by the market for black cattle many farmers may be going too far in that direction. Keeping heifers sired by Angus and Brangus bulls and then breeding those heifers back to Angus or Brangus sires results in loss of hybrid vigor when compared to using a different breed bull. Losing hybrid vigor represents a loss of performance and a loss of income. If your cow herd is black it may be time to change breed of bull. In addition, we all know what bull prices have done with current market conditions. Angus bulls have led the way in rising bull prices. If we can find, say, a Herford bull of equal genetic value for less money, it may be wise to consider a switch. Across breed EPD adjustments allows for genetic comparisons of different breeds of bulls. The Meat Animal Research Center released their adjustments for this year, recently. They are presented in the table below.

**TABLE 1: ADJUSTMENT FACTORS TO ADD TO EPDs OF EIGHTEEN DIFFERENT BREEDS TO ESTIMATE ACROSS BREED EPDs**

| Breed | Birth Wt. | Weaning Wt. | Yearling Wt. | Maternal Milk | Marbling Score[a] | Ribeye Area | Fat Thickness |
|---|---|---|---|---|---|---|---|
| Angus | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.000 |
| Hereford | 2.7 | -4.2 | -23.6 | -17.7 | -0.31 | -0.08 | -0.051 |
| Red Angus | 4.1 | -22.1 | -29.9 | 1.5 | -0.34 | -0.02 | -0.027 |
| Shorthorn | 6.2 | 9.9 | 27.8 | 21.7 | -0.19 | 0.23 | -0.135 |
| South Devon | 3.3 | -5.2 | -24.4 | 1.3 | -0.11 | 0.23 | -0.135 |
| Beefmaster | 6.4 | 37.2 | 33.3 | 6.4 | | | |
| Brahman | 11.0 | 44.8 | 10.1 | 23.9 | -0.85 | -0.08 | -0.150 |
| Brangus | 4.4 | 15.4 | 5.2 | 2.1 | | | |
| Santa Gertrudis | 7.0 | 40.6 | 43.5 | 13.0 | -0.67 | -0.09 | -0.103 |
| Braunvieh | 2.3 | -23.4 | -47.7 | 1.9 | | | |
| Charolais | 8.8 | 37.9 | 40.9 | 6.7 | -0.43 | 1.04 | -0.213 |
| Chiangus | 2.2 | -19.5 | -45.6 | 1.0 | -0.43 | 0.46 | -0.145 |
| Gelbvieh | 3.4 | -19.4 | -24.9 | 3.2 | -0.35 | 0.67 | -0.131 |
| Limousin | 3.8 | -0.8 | -38.7 | -7.0 | -0.71 | 1.08 | |
| Maine-Anjou | 4.9 | -19.0 | -41.5 | -7.1 | -0.72 | 0.93 | -0.224 |
| Salers | 2.2 | -5.1 | -24.6 | 3.6 | -0.10 | 0.82 | -0.206 |
| Simmental | 3.4 | -6.4 | -13.6 | 0.5 | -0.41 | 0.46 | -0.149 |
| Tarentaise | 1.9 | 30.7 | 10.3 | 25.1 | | | |

[a]Marbling score units: 4.00 = $Sl^{00}$; 5.00 = $Sm^{00}$

The values presented are added to prospective bulls EPD's so that a more valid genetic comparison can be made. Let's say we obtain sales catalogs from the nearest Hereford and Angus bull sales. We want to maintain the birth weights we've enjoyed using Angus bulls and also maintain weaning weights. Based on the Across Breed Adjustments a Hereford bull birth weight EPD has to be 2.7 pounds less than an Angus bull to be of equal merit for this trait. Example: An acceptable Angus Bull has a birth weight EPD of +2.8 to get a Hereford bull of equal performance for birth weight it would have to be a birth weight EPD of +0.l or less.

0.1 + 2.7 = 2.8

Likewise, let's say an acceptable Angus Bull has a weaning weight EPD of +46 then a Hereford Bull with comparable or better performance would be one with a weaning weight EPD of 50.2 or better

50.2 + (-4.2) = 46 If you remember your math when you add a negative number you subtract.

We add nothing to the Angus EPD's because Angus is the base line. We can compare other breeds like Charolais and Simmental but we'd add the adjustment values listed for each breed to the prospective selection's EPD's.

Across breed adjustments are only valid for a given year but can be a useful tool as we try to maintain performance and hybrid vigor while reducing bull costs.

**FEED ADDITIVE FOUND SAFE:**

You may have heard that the beef industry discontinued using a product that increased growth and decreased fat in beef carcasses because of concern over animal health. Results of a recent study conducted at the University of Nebraska seem to contradict this concern.

LINCOLN, Neb. — The cattle feed additive Zilmax has no noticeable detrimental effect on cattle health or well-being, according to research by scientists from the University of Nebraska-Lincoln and U.S. Department of Agriculture's Agricultural Research Service.

The study was undertaken after Zilmax's maker, Merck Animal Health, temporarily suspended sales of the additive last year when concerns emerged in some quarters that it might cause lameness in cattle, said Ty Schmidt, a UNL animal scientist, who worked with colleagues including Jeff Carroll and Nicole Sanchez, both of USDA-ARS.

During the 26-day study, scientists collected blood, via catheters; body temperature; and video images from 20 heifers, which were divided into two groups, with half receiving Zilmax at the recommended dose and half not receiving it. On the last day of the trial, four days after Zilmax supplementation was discontinued, heifers were exposed to a simulated stress event to mimic the stress response that would be anticipated in cattle being shipped from the feedlot to packing plant. At the conclusion of the trial, heifers were harvested at UNL and their hearts, liver, lungs, kidneys and adrenal glands were studied. Results from the study demonstrated some differences in physiological and endocrine markers of stress and muscle accretion in heifers that were supplemented with Zilmax compared to heifers not fed Zilmax. Heifers fed Zilmax had an increase in parameters that indicate increased muscle mass. The increase in these parameters was expected, as the drug label for Zilmax includes statements pertaining to increases in creatinine and creatine phosphokinase, Schmidt said.

Results from this study, he added, also demonstrated that heifers supplemented with Zilmax had a decreased production of the stress hormone cortisol, and decreased body temperature during the simulated stress event. Histopathology of the heart, lungs, liver, kidneys, and adrenal glands revealed some differences between the heifers supplemented with Zilmax and the heifers not receiving Zilmax. The livers and right

adrenal gland of the Zilmax heifers were slightly smaller than heifers that were not fed Zilmax, but there was no difference in lungs, kidneys, or heart.

"Overall, the results of this trial indicate that while there are variations in the body temperature, endocrine and metabolic parameters and histopathology of major organs of Zilmax supplemented heifers, these differences are minor and show no indication that supplementation of Zilmax is detrimental to the health or well-being cattle," Schmidt said.
*Ty Schmidt, Ph.D.*

**FEEDLOT PLACEMENT PRACTICES:**

There's been an important shift occurring among the nation's feedyards over time. Most notably, the composition of placements has undergone some significant changes since 2000.

Conventional wisdom would suggest that cattle feeders, challenged by tight supply, would be chasing lighter-weight calves to fill pens. That does happen in spurts. However, if maintained, that strategy in the aggregate would pull the feeder cattle supply ahead into the feeding sector and comprise a lighter-weight placement mix into feedyards. However, just the opposite has occurred. In fact, feedyards have increasingly been feeding pens with heavier, not lighter, cattle.

The heaviest category (800+ lbs.) has increased from about 23% of the placement mix in 2000, to nearly 32% in 2013. Meanwhile, the categories of 600-699 lbs. and 700-799 lbs. have collectively declined nearly the same portion (about 8%) during the same time frame.

Interestingly enough, calves weighing less than 600 lbs. have remained relatively steady – comprising about 25% of placements year-in, year-out (thus the category is not included on the graph).

The trend represents some important insight into the feeding business. There's probably any number of causes including a tightening labor situation and rising feed costs over time. However, it's also likely the trend represents a broader strategy to manage risk.

Heavier calves represent a shorter feeding period and thus reduce both performance and market uncertainties associated with extended feeding regimes.

**MARKET REPORT:**

I have been asked several times about pricing calves now as opposed to waiting until fall. The trend in prices have not followed normal seasonal patterns all year, so a normal fall drop in prices may not be seen. My answer is a question, where is the greatest risk or reward, that is, what are the chances that price will rise significantly as opposed to decreasing significantly? We are at an all-time high and larger numbers of calves are on the way this fall. If you look at it rationally there is greater downward risk than upward opportunity, we are approaching fall, prices are extremely high and corn crop optimism can't be higher than now. Yes, if the corn crop is better than expected we may miss the highest possible price but it is still very good. On the other hand if we have a drought during silking or hit an early frost then the downward trend in corn prices may turn. Recent calf value increases have followed the corn market downturn. Also consider the following from the Livestock Monitor. If you can lock in these current excellent prices you should probably do so.

Even though feedstuff costs, especially corn, have decreased rapidly during recent weeks, estimated breakeven sale prices for cattle placed into feedlots have been increasing. As calculated by the LMIC, the breakeven is the sale price per cwt. that a finished steer must bring to cover all costs of production in a Southern Plains commercial feedlot, including: yardage, death loss, and an interest charge on the animal.

Breakeven prices have increased because the cost of feeder cattle (e.g. 700-to 800-pound steer) have shot-up more than the cost of feedstuffs have ratcheted down.

In early July only a few major Midwest corn market locations had corn below $4.00 per bushel, by the week ending July 10th everywhere was below that level. For example, the Omaha grain elevators reported corn averaging $3.74 per bushel for the week of July 10th; that was down $1.25 per bushel in six weeks. In the Southern Plains cattle feeding areas, corn prices have declined by 60 to 70 cents per bushel in most locations since late May. Across the U.S., cattle feeders are now using corn that is the cheapest since late August 2010. Typical estimated feedstuff costs for a steer that entered a feedlot mid-July weighing about 750 pounds is now about $100 per head below a year ago.

During the six week period from late May through mid-July, at Southern Plains Auctions, 700-to-800-pound feeder steer prices jumped nearly $25.00 per cwt. to average about $220.00 for the week ending July 10th. Of course, that was record high. One year ago that same steer weight range brought about $148.00 per cwt.

The net result of higher feeder cattle costs for feedlots and lower corn costs is high breakeven sale prices required for fed cattle. That is, from a cattle feeding perspective, the corn price drop has not been compensating for higher feeder cattle. If corn costs over the next few months continue to decline as expected, LMIC calculated a 750-pound steer placed in mid-June is expected to have a breakeven sale price (fed in a Southern Plains commercial feedlot) of $164 to $165 per cwt. That animal should be finished by late this year. The Estimated mid-July breakeven is even higher; averaging $169 to $173. Covering those may be very difficult.

Sincerely,

Andrew Granger
County Agent
Vermilion Parish

# *Louisiana Master Cattleman Program*

## Registration Form

(Please Print Legibly)

Name: _____ Date: _____

Mailing Address: _____

City/Town: _____State: _____ Zip Code: _____

Parish of Residence: _____ Area Code & Phone No.: _____

Parish of Cattle Operation if different from Residence: _____

E-mail address: _____

The following requirements must be completed in the next two years to become a Master Cattle Producer :

1) Environmental Stewardship (Master Farmer) - 8 hours
2) Beef Quality Assurance (BQA) certification-presented by Louisiana Cattlemen's Association (LCA).
3) Completion of the following three hour lectures:

| | |
|---|---|
| -Animal Handling | -Nutrition |
| -Reproduction | -Animal Breeding and Selection |
| -Pasture Management I | -Pasture Management II |
| -Financial Planning I | -Financial Planning II |
| -Animal Health | -End Product |

The cost of Master Cattle Producer certification is $125.00. Please make checks out to: Vermilion Parish Cattlemen's Association and mail to:

ANDREW GRANGER
1105 WEST PORT STREET
ABBEVILLE, LA 70510