

Beef and Forage Review

March, 2008

Paris Office

#15 Courthouse
25 W. Walnut
Paris, AR 72855
Phone: (479)963-2360
Fax: (479)963-2360
E-Mail: loganp@uaex.edu

Lance Kirkpatrick
County Extension Agent –
Agriculture – 4-H

Booneville Office

#24 Courthouse
366 N. Broadway
Booneville, AR 72927
Phone: (479)675-2787
Fax: (479)675-4086
E-Mail: loganb@uaex.edu

Visit us on the web at:
www.uaex.edu/logan

Pesticide Applicator Training

If you need to be recertified or need to get a private applicator's license and missed our earlier trainings, you still have one more chance:

6:00 p.m., Monday, March 31

1st National Bank Comm. Center – Paris

Cost is \$10, payable at the door—no need to preregister. If you have any questions, give the Extension office a call.

Bangs Vaccination Dates Set

Logan County Extension offices, along with the Arkansas and Poultry Livestock Commission, will be offering free Bangs vaccinations on April 14–15. Heifers 3–12 months of age may be vaccinated. **Producers wishing to have cattle vaccinated must register with the Extension office no later than 4:30 p.m. on Friday, April 4.**



Producers Beware

I have been getting questions about a couple of products called SEA 90 <http://www.seaagri.com> and Sea Minerals FA <http://seamineralsfa.com>. Both appear to be the same product which is sea salt. The analysis on the websites shows it to be high in Na and Cl. The Sea 90 product is marketed by a business in Georgia and an individual in NW Arkansas sells the Sea Minerals FA. Below is a summary of Extension Forage Specialist Dr. John Jennings' findings concerning these products:

1. Neither company makes specific claims about what their products do.
2. Neither company has research data to show the effect of the product – only testimonials. Both refer interested people to a couple of books on the websites.
3. They do have recommended rates for forages although there is no data to support the recommendations.
4. The Ark. State Plant Board denied approval of both products for sale in Arkansas as feed, fertilizer or soil amendment.

Based on the high salt analysis, these products have a high potential to damage pasture and hayland. Without data on the effect of these products, I don't recommend either product for pasture or hay production.

Cattle Outlook

Glenn Grimes & Ron Plain, University of Missouri – Columbia, March 14, 2008



USDA's current estimate of beef production is for a very small increase in 2008 from 2007. However, all of the increase is in the first nine months with a 4.8 percent decline forecast in the fourth quarter of 2008 from 2007.

USDA current estimate of fed cattle prices for 2008 is \$88–93 per cwt. This compares with a price of \$91.82 per cwt in 2007. USDA estimate for the fourth quarter fed cattle price is a range from \$86–94 per cwt. The futures market for live cattle in midweek was roughly \$101.50 per cwt for October and \$103.60 for December.

The prices for cattle will eventually increase enough to offset the high production costs, but it looks like the future's market is expecting the prices to increase earlier than it is likely with the slow decrease in the size of the cattle herd.

The US beef industry will eventually adopt a system of cattle production that uses more forage for cattle due to the high corn prices. However, this will require selling off more of the cowherd in order to have the pastures and range to grow the young cattle to heavier weights. The transition is moving quite slow.

The current data would suggest the October and December live cattle contracts are \$6–10 per cwt higher than fed cattle prices are likely to be when we get to the fourth quarter of 2008.

USDA current estimate of beef imports for 2008 is an increase of about 0.6 percent from 2007. However, USDA is forecasting an increase of beef exports of 7.6 percent in 2008 from 2007 this looks low to us.

The weighted average negotiated live fed cattle prices for the five-market area at \$89.13 per cwt through Thursday were down \$1.74 per cwt from a week earlier. The weighted average negotiated carcass price for the five-market area through Thursday at \$145.60 per cwt were up \$0.28 per cwt from seven days earlier.

The wholesale price for Choice beef Friday morning at \$142.39 per cwt down \$5.24 per cwt from last Friday. Select beef prices were at \$142.02 per cwt down \$3.63 per cwt from a week earlier.

Beef exports for January were up 35.1 percent from a year earlier. The USDA beef exports estimate for the year at about an 8 percent increase, looks low to us.

Feeder steer and heifer prices unevenly steady to \$3 per cwt lower. Stocker steers and steer calves \$2–4 per cwt higher and stocker heifers and heifer calves \$1–2 per cwt higher than last week at Oklahoma City.

The price range by weight groups for medium and large frame number one steers this week were: 400–500 pounds \$125–136 per cwt, 500–600 pounds \$114–129.5 per cwt, 600–700 pounds \$105–118.75 per cwt, 700–800 pounds \$100.25–114 per cwt and 800–1000 pounds \$188.25–98.50 per cwt.

Slaughter this week under Federal Inspection was estimated at 641 thousand head, up 1.6 percent from a year earlier.

Know the Cull Cow Grades Before You Sell

Glenn Selk, OSU Extension Cattle Reproduction Specialist

Some culling of beef cows occurs in most herds every year. The Beef Audits have generally shown that cull cows, bulls, and cull dairy cows make up about 20% of the beef available for consumption in the United States. About half of this group (or 10% of the beef supply) comes from cull beef cows.

In a drought-plagued year, the percentage of some herds that are being culled goes even higher than the survey estimates of 20% of each cow herd. Whether we are culling because of drought or to improve the productivity of the herd, it is important to understand the values placed on cull cows intended for slaughter.

The USDA market news service reports on four classes of cull cows. The four classes are divided primarily on fatness. The highest conditioned cull cows are reported as "Breakers." They usually are quite fleshy and generally have excellent dressing percentages. Body condition score 7 and above are required to be "Breakers."

The next class is a more moderate conditioned group of cows called "Boners" or "Boning Utility". These cows usually would fall in the body condition score grades of 5 to 7. Many well-nourished commercial beef cows would be graded "Boners."

The last two groups of cows as reported by the market news service are the "Leans" and "Lights." These cows are very thin (Body condition scores 1 – 4). They are in general expected to be lower in dressing percentage than the fleshier cows and are more easily bruised while being transported than are cows in better body condition. "Lights" are thin cows that are very small and would have very low hot carcass weights.

Leans and Lights are nearly always lower in price per pound than are the Boners and the Breakers. "Lights" often bring the lowest price per pound because the amount of saleable product is small, even though the overhead costs of slaughtering and processing are about the same as larger, fleshier cows.

Producers that sell cull cows should pay close attention to the market news reports about the price differentials of the cows in these classes. Cull cows that can be fed enough to gain body condition to improve from the Lean class to Boner class can gain weight and gain in value per pound at the same time. Seldom, if ever, does this situation exist elsewhere in the beef business. Ideally, market your cull cows while still in good enough condition to fall in the Boner grade. If cows are being culled while very thin, consider short term dry lot feeding to take them up in weight and up in grade. With the high price of feed in today's economic climate, some close scrutiny of the amount of feed per pound of added gain is warranted. Changing body composition of adult cows must be done in two months or less. Feed consumed per pound of gain will become too expensive once the cows have returned to normal (BCS=5) body condition. Rarely does it pay to feed enough to move the cow to "Breaker" class. There is very little, if any, price advantage of Breakers over Boners, and cows lose feed efficiency if fed to that degree of fatness.

Invitation to Activities

All of the activities mentioned in the newsletter are open to everyone regardless of race, color, national origin, age, religion, gender, disability, or any other legally protected status. Persons with disabilities who require alternative means for communication of program information (large print, audiotapes, etc.) should notify the county Extension office as soon as possible prior to the activity.

COOPERATIVE EXTENSION SERVICE
U.S. DEPARTMENT OF AGRICULTURE
UNIVERSITY OF ARKANSAS
P.O. BOX 391
LITTLE ROCK, ARKANSAS 72203

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE \$300

Fertilizer Prices



The common question I'm getting these days is why fertilizer prices are so high. Fertilizer prices are high due to the cost of energy and increasing world demand by countries like China and India. In the past, these countries have had underdeveloped crop production infrastructure. However, they are now growing at a fast rate, in human as well as animal numbers. Thus, their need for fertilizer increases as well.

Many analyses predict P and K prices will stay high and perhaps continue to increase. N fertilizer prices are projected to stay high for a few years and then come back down as new facilities for N fertilizer production are being constructed in several countries.

With high prices, many producers are planning to limit the amount of fertilizer or not use any at all. After checking prices, who would blame you? If you have questions about fertilizer prices or things you can do to help offset the cost, please give the Extension office a call.