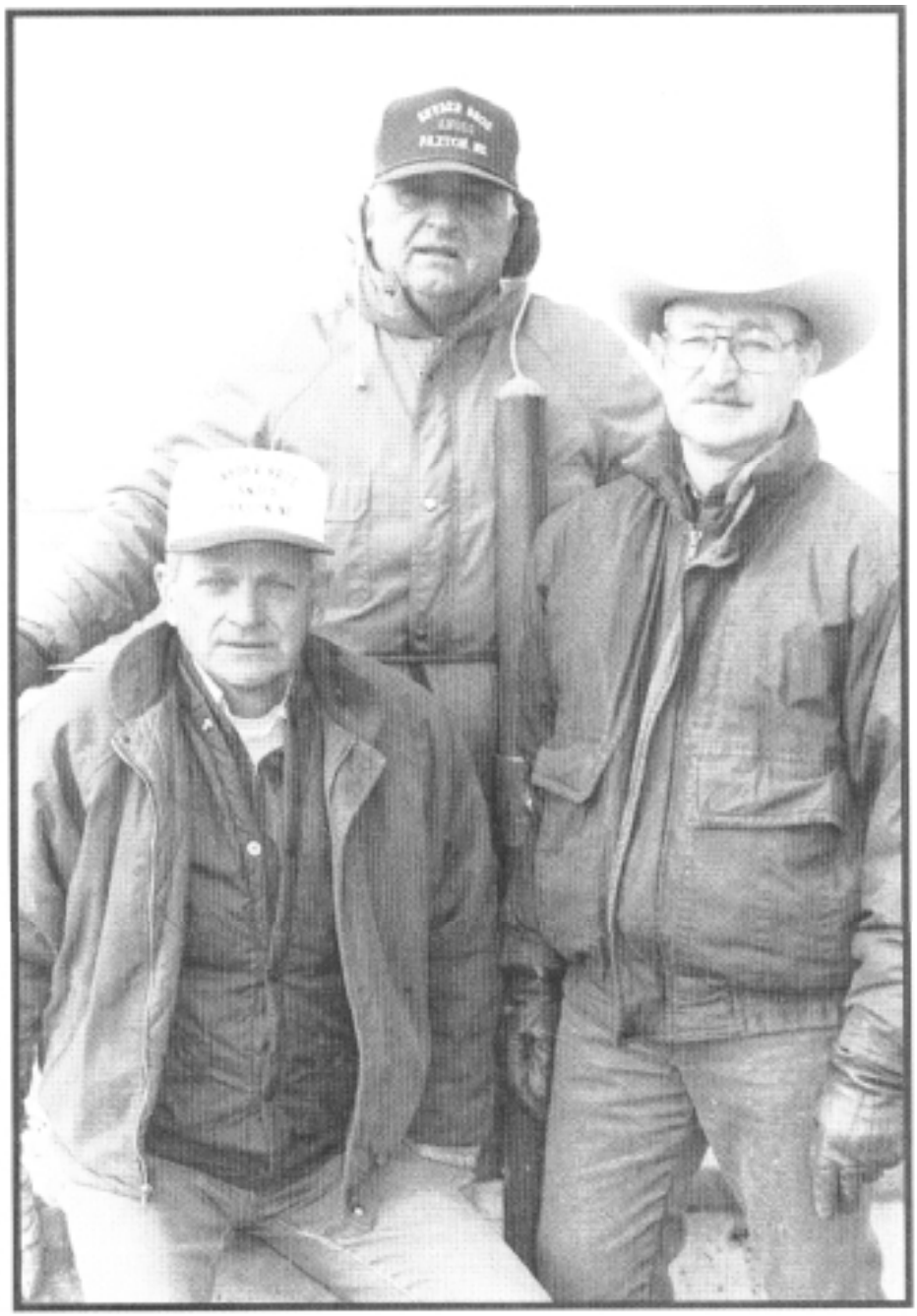
Cornstalk Economics Work at Snyder Brothers Angus

BY TROY SMITH



Equal partners . . .The family-owned, diversified Snyder Brothers Angus ranch near Paxton, Neb., is managed by (l to r): Bruce Snyder, Don Eakins and Ken Snyder.

Bruce Snyder claims there's nothing fancy about the beef enterprise his family manages near Paxton, Neb. With tongue in cheek, he calls it a "Gypsy outfit." No, the Snyder clan isn't a family of mysterious fortune tellers or unscrupulous horse traders. Nor do they wander from place to place. But their cows do.

When Snyder says they "Gypsy" their cattle around, he is referring to the fact that they do move their cattle frequently to take advantage of summer pasture and winter cornstalks. Making use of rented fields of crop residues makes good economic sense to partners Bruce and Ken Snyder and their brother-in-law, Don Eakins.

Economics drive their collective decision-making process. And while the management of their registered Angus cattle differs from that applied to their commercial herd, both are derived from economic considerations.

A business-like approach to cattle production took root in western Nebraska when W.P. Snyder established the operation during the 1920s. Snyder was the first superintendent of the University of Nebraska Experiment Station located near North Platte. In the beginning, he partnered with friends (the University's chancellor and the clean of the college of agriculture) in actual application of production agriculture. Snyder's sons, Bill and Bruce Sr., assumed management in 1934. They joined the American Angus Association in 1946, raising breeding stock as Snyder Brothers Angus.

"Dad and our Uncle Bill started with 17 registered cows," says Bruce Jr. "Our registered herd today includes only cows descended from the original 17 head."

Bruce, Ken and their sister's husband, Don Eakins, have been operating Snyder Brothers Angus as equal partners since 1972. Their diversified operations leave plenty of responsibility to go around. Don ramrods the farming enterprises, while Bruce and Ken handle most decisions associated with managing the 400 registered cows and a 500-head commercial herd.

"Don and I are perfectly willing to let Ken handle the bookkeeping," says Bruce, "so he keeps the books for the partnership and stays on top of the paperwork related to the registered cattle."

Headquarters and the farm ground is located in that strip of real estate, several miles wide, lying between the North Platte and South Platte rivers. Except for a ridge of

rugged hills that separates the two valleys, the terrain is level to slightly rolling. Don says there are roughly 800 acres in crop production, with most under gated pipe irrigation.

"We raise a little wheat and about 250 acres of alfalfa," explains Don. "The rest is in corn. We usually cut 100 acres as silage each year and put up 10,000 bushels of wet corn. The remainder is picked and put in the bin."

Crop diversity contributes to the home-raised feed supply as well as cash sales. In addition to cash crop corn and wheat, some third- and fourth-cutting alfalfa is put up in small square bales and sold. The hay is of higher quality than their own cows require, says Don, and it brings a premium price when shipped to dairies as far away as Wisconsin and Arkansas.

Not that quality hay isn't needed at home, but the first and second cuttings of alfalfa hay, fed primarily as a protein supplement, usually meet the needs of cows grazing cornstalks in late fall and winter.

"We wean (calves) in September and that gives the cows time to recover before winter arrives," says Bruce. "We get them bunched up like we want them and ready to go by the time there are stalk fields available, usually in early to mid October. Then we rotate through our fields and the ones we rent."

Driving in profits . . .Wintering their Angus herd on rented stalk fields means cattle must be moved frequently by the Snyder Brothers crew as fields are grazed in rotation.

The costs of wintering on cornstalks can vary tremendously, according to local University of Nebraska Extension ag agent John Lambert who works Keith and Arthur counties. Lambert says the rent that producers pay for stalks may be figured per field or by the acre, while others pay a per head fee for each day in the field. He says rates vary depending on whether the stalks are already fenced or if the renter has to string some wire.

The availability of stock water compared to the chore of providing a tank and maybe even hauling water has to be factored in as well. Another thing to consider is who provides cow care. Somebody has to monitor fences, water and general health conditions.

Of course, supply and demand influence stalk field rental, too. Down the Platte River, in eastern Nebraska, cornstalks come cheaper simply because that part of the country has more acres of corn but fewer cows to glean the fields. A daily charge of 10 cents per head, or less, has been reported there, while 25 cents is average, according to Lambert, for the western part of the state. In the west, cows coming out of the Sandhills create more competition for winter feed.

"We pay $800 per pivot (130 to 135 acres) for rented stalk fields," says Bruce Snyder. "And that's usually just a corn field with no water tank, no protection and no fence. So we build and tear down about 40 miles of electric fence each winter."

In addition to fencing, water tanks have to be hauled to the fields and portable windbreaks are needed in some situations. Of course, the cattle have to be moved to new fields periodically and the biggest drawback to grazing cornstalks is the possibility of big snows that might cover up the pickings altogether. There are elements of danger from founder and nitrate poisoning, too, so the need for good management remains.

"Cornstalks aren't necessarily the ideal way to run cows but they are available and the economics look pretty good if winter doesn't cover you up," explains Bruce. "We figure our cornstalk costs come to about $5 per month for each cow. And if we supplement her with about 20 pounds of alfalfa each month, you have to add another $2. That's figuring the hay at $50 per ton. So if the weather doesn't hurt us too bad, we can feed that cow for $7 a month. If we were feeding hay only, it would take at least 20 pounds a day and cost at least $15 a month."

The Snyder Brothers' registered cows start calving by the first week of February, so if the weather is good they'll still be out on stalks. If not, they'll calve in big lots near headquarters and be paired out to some protected river pasture saved for that purpose. They receive prairie hay and supplemental alfalfa until about the first of May when they are moved to cool-season bromegrass pasture. After artificial insemination, groups of 50 pairs are moved to hill pastures with cleanup bulls.

"For clean-up, we use the top end of our own yearlings," says Ken. "We pull them out early, take care of them and market them the next spring as two-year-olds."

Commercial cows are bred through natural service and don't start calving until mid-March. "Those cows never see a shed and are usually checked just twice a day. The commercials usually calve out away from headquarters, without any pampering but there are no first-calvers among them," Ken explains.

"We don't keep commercial replacement heifers," Ken adds. "Registered cows that calve after mid-March have to be pretty special to stay in that program. Late calvers and those that produce a couple of below average calves are sent to the commercial herd. We really don't like calving the registered cows as early as we do, but you just about have to in order to get enough age

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on bulls lo be used as yearlings. And early calving has become a pretty good tool for culling the registered herd. Most of those cows are young — none over eight years."

The commercial cows finish calving in the hard-grass hills, not far from headquarters,but they aren't there very long. Summer range in the Sandhills is located more than 50 miles away. Once the cows are moved there, they run in multiple sire pastures according to a planned rotation. Commercial calves are preconditioned in September, weaned and moved back to the headquarters feedlot to be finished and marketed at 13 to 14 months of age.

"Our commercial herd generates just as much income as our purebreds," says Ken. "That fact keeps us focused on what's economically important to commercial producers."

Ken explains the family's philosophy as one that emphasizes reproductive performance first. They have to have all the growth you can breed into them while maintaining a moderate mature cow size and ease of calving.

Grazing cornstalks in Nebraska costs about $5 per cow per month.

"All of those things are antagonistic," he says, "but the combination is what we want, so we put selection emphasis on a combination of traits. We're concentrating on the things that make the most economic impact and we're trying to avoid problems."

The numbers that best represent what they are looking for would be expected progeny differences (EPDs) of +2.5 to +3.0 for birth weight, combined with a weaning weight EPD of +40 and a yearling weight range of +60 to +70. The range for milk EPD would be + 10 to +20.

Snyder Brothers partnership markets close to 150 bulls annually through a spring productions sale. Their goal is to please the commercial producers who have long made up their customer base. They have caught the attention, however, of fellow seedstock producers, too. In 1996 a Snyder Brothers Angus bull called Plattemere 3T sold to American Breeders Service.

"We like to think the sale of that bull shows that if you concentrate on usefulness and avoid extremes. it should result in cattle which will work for anyone," Ken says.