

# Spring Cleaning



PHOTO BY SHAUNA ROSE HERMEL

*Now may be the best time to prepare cows for culling.*

BY BARB BAYLOR ANDERSON

If you plan to clean house this year, spring is the time to get started. Whether you plan to upgrade genetics or just weed out older or unproductive cows, several factors should be considered to make the most of sales.

"Purebred producers might argue they do not need to operate under the same set of culling rules that commercial producers do. But I would contend that purebred producers should have tighter guidelines so they can maintain the best genetics for their herd and

breed and provide the best service to commercial producers," says Bob Sand, an animal science professor at the University of Florida, Gainesville.

The first key to successful culling is to begin weeding through the herd during the first half of the year. Cow-calf specialists recommend producers identify cows now that will be sold to either commercial producers or packers, then prepare them for late-summer marketing.

"Having a plan and following through with the plan is important," says Ron Gill, professor and Extension livestock specialist at Texas A&M University, College Station. "Identify cows you plan to cull, and manage them through the summer separate from the rest of the herd to maximize their condition, and sell them in late August or early September. The best thing to do with spring-calving cows is to sell those cows before prices begin to decline."

## Seasonal market

Gill says producers who plan to cull cows to packers can bank on the seasonality of the traditional cull-cow market. Cull-cow prices run flat from May through August, but marketing them at the end of summer can garner higher prices than marketing them with most other cow-calf operators during the price slump in October and November.

"The low point for cow prices comes during that late-fall time frame after weaning," confirms Rodney Jones, assistant professor of agricultural economics at Kansas State University, Manhattan. "Prices rebound into spring, and while it can be hard to predict the magnitude of that increase, it can be a \$5 to \$6 per hundredweight (cwt.) bump in prices into spring or summer."

Gill advises cow-calf producers to take advantage of the higher spring cull-cow prices and to capitalize on a seasonally steady summer market by weaning calves a little earlier than usual and running the feed dollars through the calf instead of the cow.

University of Illinois animal science professor Dan Faulkner, Urbana, agrees. "Early weaning and selling the cow on the better summer market can return \$50 to \$70 more per cow than holding and selling her in the fall. Prices can swing \$4 to \$6 per hundredweight during that time," he says. "For producers who can sell the cow in June, she will be in good condition following spring grass, and the market will be stronger than if you hold the cow and have to feed her until fall."

In such instances, Faulkner suggests weaning calves in May. "Early weaning can be an economical strategy because there is generally excess forage for the cow. Then, when the best forage dissipates at midsummer, the cow has already been sold," he says. "Supplementing the calves can be cheaper than feeding the cow, and it makes more sense in the spring than to carry cows until fall grass comes back."

For producers who choose to hold cows until August or September, hot summer days and a drop in forage quality can have a negative effect on cow condition. Gill suggests adding a protein supplement, such as a molasses-based product, during July and August in those instances to help cows maintain forage intake and condition. Gill also reminds producers that such strategies vary by location and buyer.

## Consider factors

"In Texas, cows with a body condition score (BCS) of 4 or higher will not generally benefit from having a supplement. You have to pencil it out to see if it will pay," Gill explains. "But in other areas, packers may pay for a body condition score of 5 or over, and that changes the economics of the

## Procrastinators may get second chance

For producers who miss the opportunity to sell cull cows to packers or other producers this summer, the right mix of economics may provide some winter sales opportunities once the fall dip in cow prices has passed.

"If feed supplies are plentiful and cheap, you can add some condition from fall through winter and into spring and do it economically," says Rodney Jones, assistant agricultural economics professor at Kansas State University, Manhattan. "Push a pencil, and if you can add weight and condition over the winter, consider your options. But beware if you are in an area short on good-quality forage."

University of Illinois animal science professor Dan Faulkner, Urbana, says cheap feed can provide some advantage to producers who hold cows over the winter, but he advises producers not to base a decision to feed cull cows during the cold months solely on hopes that the spring market will offer higher prices.

Another concern is the location of the cows. Producers in the South more likely can carry cows over the winter from a potential weather-stress perspective than can producers in the North, even if economical supplemental feeding is an option for those producers.

Livestock specialists encourage producers to weigh options now for cull-cow sales, whether those sales will occur in the next few weeks or the next few months, and to make decisions based on sound economics.

Ron Gill, professor and Extension livestock specialist at Texas A&M University, College Station, says, "If you want to and can winter cows in a cheap manner, then do it. But be aware that overwintering is usually costly."

supplement. The best thing is to talk to cow buyers and provide the body condition they want."

Other economic factors also may come into play and affect decisions about whether to cull cows in the spring or late summer. Sand says that requires some flexibility.

"Culling can take care of an extraneous situation like the weather. If you assess the weather situation now and believe that drought is going to be an issue long-term, you may find that you are better off to sell early," he says. "Carrying cows when there is a drought will cut down on capacity to carry, and it's best to reduce numbers early. But also take into consideration the whole picture. Factors like beef demand can also affect cull-cow prices."

Sand adds that early culling may not only ease a weather-related situation, it will improve productivity. "We used to tell producers to sell open cows or cows that weren't producing, and in general that is still true," he says. "But culling is also the best way to remove genetics that are poor or unsuited to the herd. The most successful operations are those with aggressive culling strategies."

## Maximize value

If you are culling a cow because she does not fit well with the genetics of the operation, consider selling her into the commercial market at a younger age, Gill says.

"Most purebred producers could sell cows two years earlier than they generally do,

when the cow is bred and still has good teeth and condition," he says. "That cow still has a productive life of three or four years and could increase the sales price another \$100 to \$200."

Jones encourages producers to look for ways to make the most of cow sales and to add value, whether the sale is for direct slaughter or to commercial herds. Cull-cow sales, on average, represent 15%-20% of the gross revenue for most cow-calf operators.

"Managing the cull strategy is of economic importance," he says. "It may be harder to play the cattle cycle as a seedstock producer because there is not as much fluctuation in calf prices, but young cows and bred heifers follow the cattle cycle closely. Seasonal sales and conditioning are ways to get the most for those cows."

Jones observes that, from a cattle cycle perspective, more animals are culled following three or four years of high cattle prices. A better strategy is to cull at a lighter pace when cattle prices are low, such as in 1996-97, and to hold heifers to have calves that can be sold when calf prices are much better, such as in 1998-2000.

"Producers have an opportunity right now," Sand concludes. "For open cows and cows who may have lost calves, cut the grass demand by marketing those cows now. Over the long haul, consistent culling policies on nonproductive cows can lead to a much more productive herd."

Cull-cow sales on average, represent 15%-20% of the gross revenue for most cow-calf operators.