Winter update

Regional managers Matt Caldwell, Rod Wesselman and Richard Dyar offer their perspectives on the current state of winter feed, upcoming cattle sales and future goals of the breed.

How are winter feedstocks in your area this year?

Matt Caldwell: Kansas and Oklahoma were extremely dry through most of 2006. Winter feedstocks are definitely limited, and hay is selling at a premium. Most areas have no wheat pasture to graze this winter. They have received some winter moisture and will have some March and April wheat grazing.

Rod Wesselman: Winter feed sources in the Northwest are in limited supply in some areas. Here in eastern Washington, where I live, feeder hay (alfalfa) is currently \$100 a ton or more — if you can find any left for sale. For comparison, in eastern Idaho in February 2006 alfalfa feeder hay in the large ton bales could be purchased for \$65 a ton.

A couple forces driving cost in this area are the price of dairy-quality alfalfa hay (no rain and good protein content, currently

\$130-\$150 a ton) and the export

Are producers using unique feedstuffs for wintering their cows this year? If so, what?

Caldwell: Producers in areas of limited winter grazing or depleted hav stocks are doing whatever they can to feed cows more economically. Lots of folks are using byproducts from ethanol production. This will continue to be an economical way to feed cattle, even in times of good moisture.

Weather and short supplies have also been drivers for increased hay prices. Grain prices (corn, barley, oats and wheat) have also influenced the hay prices.

Richard Dyar: Due to the summer drought, hay supplies are short in most of the Southeast. Early spring cuttings were average. Summer cuttings were well below average, as were early fall cuttings. Late September rains provided some fall growth on fescue when nitrate was applied.

> Attendance at the sales seems to be about the same as a Dyar: The winter sale season has been a mixed bag. Angus females, both registered and commercial, have continued to be strong. The Angus bull sale averages have been off from the 2005-2006 sale season. In most cases, the top end of the sale order has been strong, but the middle and bottom third of the sale order has taken a hit. In some cases, the bottom third hasn't sold. This could be partially due to the drought

Winter months kick off another sale season. How are the sales in your area faring for attendance and price?

from the grass-seed fields. These alternative havs can be fed with the better alfalfa to

There are a few producers in areas of the

utilizing cornstalks after the fields have been

Northwest that have access to residue or

Dyar: Producers have been rather

innovative trying to stretch limited winter

feedstocks. In addition to wintering fescue

and overseeding pastures with ryegrass and

small grains, they have rolled up surplus crop

residue — for example, cornstalks, as well as

soybean and peanut stubble. Also, producers

hay supplies. Availability of corn gluten and

have used commodities to extend limited

soybean hull pellets has been adequate,

although prices have gone up due to

increased demand.

byproducts from vegetable or potato processing plants. Another alternative is

reduce cost per head.

harvested.

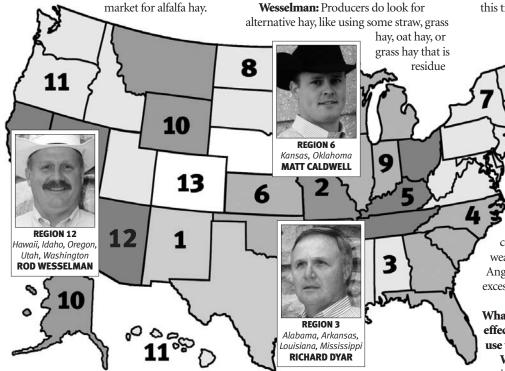
Wesselman: The bull sales for the late fall and early winter show a slight decrease or the same as last year's averages. Female sales for this time period seem to be strong.

weakening calf prices, but the supply of Angus bulls in the Southeast seems to be in

excess to demand.

What is the most unique or the most effective method you've seen a producer use to draw producers to a sale?

Wesselman: There have been many unique methods used to get producers to



sales in my area. From having the opportunity of using a gooseneck stock trailer for a year to buying the commercial producers' calves at weaning if he uses their bulls. I have told breeders that they need to find a way to set themselves apart from their competition. But you also need to have a solid, balanced product to sell. In addition, you need to build relationships with your customer base.

Dyar: Most incentives used to encourage producer participation in sales aren't unique. Percentage discounts for volume purchases and buying breaks on commercial calves sired by bulls sold are two of the most common incentives. Some larger-scale breeders will allow small-scale registered breeders to consign a few cattle to their production sales.

The most effective customer incentive is

service, ranging from prompt response to problems, to advice on breeding and management decisions, to personal contact and visits.

What traits do you think the breed will be looking for two to three years down the road?

Caldwell: Angus breeders will continue to select for balanced traits that make their commercial bull customers money. We are collecting more and more breeding data and are able to define genetic values for reproduction. Traits like heifer pregnancy rate and longevity will be used more in three years simply because we will be able to evaluate those traits from a genetic standpoint.

Wesselman: I believe you still need to look for genetics with balanced traits. You

need to analyze your cow herd to see where you need to make improvements. I think we will need to keep working on improving carcass traits without losing our balance in our cow herd. We need to keep a steady watch on improving our reproductive traits in both the cow herd and the bulls.

Dyar: If I knew what traits the breed will need in the next few years, I could retire! However, I see a trend toward a more balanced approach in selection; extremes have caused problems in the past. Emphasis on birth weight will continue to receive priority. And with a 14% acceptance rate in *Certified Angus Beef* (CAB®), we have some work to do on the carcass front. Fleshing ease, structural soundness and especially hoof structure seem to be a constant concern among breeders.

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