

## Downsizing the Herd Due to High Costs?

Cattle producers that choose to reduce inputs such as purchased feed and fertilizer for pastures are also choosing to own and manage fewer cows. Removing cows from the herd would be slightly less painful if the price received for them are at the yearly market top.

Oklahoma State University Agricultural Economists have plotted monthly average for cull beef cows in the Southern Plains over a 10 year period (1997-2006). Cull cows sell for 15% more per pound in June and July than in late October and November.

Fall calving cows can be weaned in late spring or early summer and culled at yearly price peak. Fall calves that are not pregnant at weaning time would be "no-brainer". Obviously these are first on the cull list for the summer months. Other candidates for culling would be old cows, cows with structural problems (feet and legs, udders), cows with disposition problems, and cows that are poor producers. Re-bred fall calves are a tougher decision, but if a herd reduction is necessary, selling now is a better option than later.

Spring calving cows that are nursing a calf are difficult to part with at this time of year. Traditional patterns suggest that they be examined for culling next fall (when cull cow prices are the cheapest). If forage and feed costs dictate that some of them need to be sold now, study the market situation carefully. What are cow/calf pairs selling for in your area? Would you be rewarded for selling the cow and calf separately? For example (using May 26 prices taken from the USDA AMS Oklahoma City Weekly Narrative Cattle Summary) an 1150 pound average dressing percent boner cow would sell for about 58 cents per pound or \$667. A 270 pound February-born calf would bring about \$1.35 per pound or \$364.50. The pair sold together would need to gross over \$1021 to justify selling them together.

Remember the biology of the cow does not change because the economic situation has changed. The cow will continue to have the same needs for protein, energy, vitamins and minerals as cows did when gasoline was just a dollar per gallon. Therefore, if we grow less grass (due to high fertilizer prices) and purchase less feed (due to high grain prices), we need to reduce the number of cows that consume these resources.

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