

Beef Business “Bull”etin

MIDWEST BEEF CATTLE CONSULTANTS, LLC

PRODUCING CATTLE THAT WORK FOR YOU



Keys to the Beef Business

Photo courtesy of Schuyler Boyden in memory of his father Alan

The number one key to beef business success in 2024 is easy. Own cows! We are in unprecedented times for profit per cow. Drought in many parts of ‘cattle country’ over the past few years has kept cattle numbers at historic lows and high feeder calf prices encourage producers to sell heifer calves at weaning vs. keeping them back to add to their herds. There are fewer areas of drought this year which may encourage producers to keep back heifers and rebuild their herd.

If heifer retention does increase, that will put a bigger strain on feeder calf numbers this fall which should elevate prices. Like I said in the email that was sent earlier this year, “It is a great time to be in the cattle business.”

Our bulls that we will have in the upcoming sale – **Saturday, November 9 at 1pm Eastern time** – are some of the best we’ve ever produced. There

are calving ease bulls for heifers that have plenty of growth and carcass merit and growth bulls that will have calves harnessing Prime premiums. Most all will be excellent for making docile, fertile, low-maintenance, profitable females.

Our female offering will include MBCC females and our customer’s cattle. We enjoy sharing our sale with our customers that have put their trust in MBCC genetics. When I call the buyers of these females a year after the sale, the most common answer is “I should have bought a few more.”

We know that there is some ‘sticker shock’ on the value of these females. Let’s look at what you are getting. If a bred female or fall pair sells at \$3750, her sister that was not quite good enough to go into the breeding pen sold 2-8 months ago at 1350#, graded choice or prime and sold for \$2500.

One more thing. Day old beef x dairy calves are selling for \$800-900 right now. Won’t your calf from

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“We have purchased 4 Balancer bulls from MBCC and 86% of our cows calved within the first 21 days this spring with the remainder shortly thereafter.

We did not have to pull a single calf.

This was the best calving season we have ever had. Calves were full of vigor and are very docile. Calves have done very well in the feedlot also.

I would highly recommend MBCC bulls to anyone.”

***Jim Lankford,
Martinsville, Indiana***

one of the females from our sale be superior to a half dairy calf? Add that to the \$2500 price of a slaughter heifer and the math quickly adds up on the value of these females.

The bred heifers in our sale have been genomically tested to prove their value in traits like calving ease, docility, growth, marbling and stayability.

Stayability is one we really scrutinize as it predicts the chance that the female will calve every year on schedule for at least 6 years. Heifers that score poorly in this trait immediately go to the feedlot.

All our females in the sale are crossbreds and research from Kansas State puts the value of having a crossbred female at the price of feeder calves on a hundredweight basis. So, if calves are selling for \$310/cwt, a crossbred cow is worth **\$310/year more** than a straightbred cow and anything over 75% of one breed is straightbred.

A heifer calf kept this fall will make her first contribution to your bottom line by selling a weaned calf in the fall of 2026. Prices should still be very good, but if many heifers are kept this fall, we will see a decrease in the price of feeder calves due to a higher supply. This could be the start of the typical 5–6 year expansion phase of the 10-12 year cattle cycle and we will see prices decreasing.

Wouldn't it be better to have a calf to sell in the spring or fall of 2025 when prices are expected to be at the peak? Add in genomic testing, screened for docility, sired by and bred to an MBCC or AI sire and it does not take long to see the value of these females.

Genetics are an investment in your herd, not a time where 'finding a bargain' is the goal.

Sale Details

One of the unique features of our sale is that you the buyer makes the sale order. In years past we have had you give us your "top 3" bulls and/or females either by Friday before the sale or by noon on sale day.

Our number one focus has been and will continue to be helping you get the animals that truly fit your goals. We have found that waiting until Saturday to get your top 3 choices keeps us from spending enough time answering your questions on sale day. So, we ask that each buyer **contact Mark by noon on Friday Nov 8 with your top 3 bulls and/or females.**

I'll have the sale order posted on our website by 5pm on Friday and will also email it to each of



First calf Balancer x SimAngus female at Lubben White Oak Farm in Iowa with a tremendous 5-month-old calf at side that would look good in everyone's pasture.

How to Purchase at Our Fall Sale

While having an Internet option to purchase in our spring sale has been a strong positive, the fall sale did not have the same success last year. Here is how you can purchase cattle in the fall sale.

1. Come to the sale and view the cattle. Select the ones that fit your goals and smile when you get the ones you want.
2. If you cannot attend, we will bid for you. Let us know which animals to buy and how much to spend
 - a. Call Chris to make an appointment to see the cattle before the sale
 - b. Call any MBCC member before the sale to discuss your goals. Your sight unseen purchases are guaranteed to please. If you don't like them, you don't own them.

you. (If we do not have your email, please send it).

While seeing the animals is beneficial, the most important aspect of purchasing new genetics is to be sure they are a fit for your herd. The EPDs give the best prediction of what they are going to produce. For example, the "L1" bull in the upcoming sale is top 2% for both stayability and marbling. You could not tell that by looking at him.

Please call us before the sale to discuss your goals. We want you to get the best genetics for your herd goals.

Producer Focus – Austin and Kayla Pratt & Family, Harrison, Arkansas

Give us a brief history of your beef business.

Kayla, the sixth generation to live on and manage our family farm, carries forward a legacy rooted in over a century of farming. Our farm is one of the few century farms still operating in this area. Kayla's parents also owned and operated the largest sale barn in Arkansas for many years, a legacy that endured until her father's passing in 2003. Although Austin did not grow up in a farming environment, it has now become his passion and way of life. Together, we are committed to raising our children in this lifestyle—one that we cherish deeply and wouldn't trade for anything. The connections we've formed through this way of life are invaluable, and the sense of community is unparalleled.

How have you improved the business?

We are always focused on how we can improve our operation. In the past, we used to feel embarrassed when reflecting on articles like this, where others highlighted our efforts. However, we've come to understand that if we aren't at least a little embarrassed by what we were doing ten years ago, it likely means we haven't experienced the growth we should have.

There are countless ways we can improve, and one of the most impactful decisions we've made is to surround ourselves with people who are more knowledgeable than we are. Partnering with experts like the MBCC team to guide us in selecting the right bulls for our herd and maintaining a strong relationship with our veterinarians has been essential to our success. Dr. Joe Melton has been particularly vital, not only in helping us improve our herd but also in introducing us to Mark and the MBCC team. Without their expertise and connections, we wouldn't be where we are today.

The saying goes, "If you're the smartest one in the room, you're in the wrong room." With Mark and the MBCC team in the room, it's safe to say we're always in the right place. Over the past eight years, we've been extremely satisfied with



our MBCC bulls and the significant improvements we've seen in our cattle's performance, feet, and longevity. Unlike overfed bulls common elsewhere, our MBCC-bred bulls remain robust and productive, with two still going strong at 7 and 8 years of age. MBCC isn't just in the business of selling bulls; they're in the business of improving your herd. It's their passion, and it shows.

What the future holds for your beef business?

Looking ahead, we hope our children, London (8) and Lofton (5), will one day carry on our operation. We want them to grow up appreciating this way of life as much as we do. By raising them in an environment where hard work, resilience, and a connection to the land are daily experiences, we aim to instill values that will guide them throughout their lives.

Thank you, Austin and Kayla. Producers like you are why we do what we do. It is so rewarding and humbling to be partners with progressive beef producers like yourselves!

Take the Money and Run or Precondition Your Calves?

With calves at record high prices, the temptation to sell calves right off the cow this fall is well tempting. I have been analyzing beef cow-calf financial records for over 30 years and this fall ranks as the number 1 year in the past 30 years to keep your calves for at least 45 days and sell as fully preconditioned calves. Feed prices are average, and calf prices are well above average. This equates to a low cost of gain compared to the added value you will receive for the additional pounds of calf if you feed your calves after weaning for at least 45 days. 60 days is even better.

Let's first define preconditioning. Preconditioning means we are getting our calves ready for a healthy and productive life in the feedlot. Bovine respiratory disease (BRD) is the number one cause of sickness and death in feedlot calves and preconditioning is all about preventing BRD. Vaccinations are a part of the equation and using a modified live vaccine that helps protect against the major viral causes of BRD – IBR-BVD-PI₃-BRSV – along with the major bacterial cause – *Manheimia haemolytica* would be considered by most veterinarians as 'core' vaccinations. Deworming with an injectable and/or oral product is also critical as these young calves are almost sure to carry a significant worm burden. A pour-on for fly control is also recommended.

Calves also need to be castrated and dehorned. Both procedures should have been done soon after birth. If this did not happen, make sure these surgeries are done at least 3 weeks before weaning. As with all health recommendations, talk to your herd health veterinarian.

The other critical step is weaning the calves on your farm and starting them on feed. Weaning day is the most stressful day of the calf's life. Don't compound the stress by shipping calves the same day. (Don't stop reading now if you generally ship calves the day you wean. There are some tips upcoming.) Preconditioned calves also know how to eat from a bunk and drink from a water tank.

I developed a 60-day preconditioning ration for a herd owner recently and the feed cost was \$0.65/pound of gain! The producer has above average quality grass hay and corn. He also has access to dry distiller's grain DDGS), soy hulls and a vitamin and mineral mix with Rumensin. With calves selling for over \$275/cwt., this is a tremendous opportunity to add value to your calves. In this herd, the owner should realize an additional profit of nearly \$300/calf for weaning and feeding the calf for 60 days! (We also included a medium dose implant - Component TE-G with Tylan or Revalor-G - that returned an additional \$35.)

Let's do the math: With a 60:40 split of steers: heifers, on October 1 and priced at \$295/cwt, that is a value of \$1622.50/calf the day of weaning. If you feed the calf for 60 days and the calves gain 2.8#/day (very doable with high health and above average genetic calves) you are now selling 718# calves. I looked at prices of calves sold for December delivery and they averaged \$261/cwt., so a value of \$1874/calf. That is a gross profit of \$251.50.

If the feed cost is \$0.65/pound of gain and calves gained 168#, feed cost is \$109.20.

When I read articles on the profitability of preconditioning calves, I rarely see anything about the amount of shrink in calves sold right off the cow (not weaned) vs. those that have been on feed for 45-60 days. An unweaned calf shrinks about 7%, so a 550# calf will lose about 39# during transit to the feeder auction. A calf that has been on feed for 45-60 days will only shrink 3%, so the shrink on this 718# calf is only 22#. That 17 extra pounds (at \$1.75/pound with the price slide) is worth \$30/calf extra just in less shrink.



I compared prices of “value added” calves over commodity (unknown history) calves from the report in the August 2, 9 and 16 *Farm World* as reported by the Blue Grass Stockyards. Lots had to be similar in weight and all calves weighed over 450#. No single lots were included. With 14 comparisons (28 lots) on steers the added value was \$16.94/cwt. and the 17 comparisons of heifers showed an increased price of \$22.25/cwt on the value added calves! On a 60:40 split of steers and heifers that average 718 pounds, you take home an extra \$136.92/calf! Wow! This is the highest bonus I’ve ever seen for preconditioned calves. The \$1831 value on a 718# preconditioned calf shows that the buyers are willing to pay extra for the health benefits of preconditioned calves.

If we add the revenue and subtract the expenses, the economics of preconditioning calves this fall looks like this:

\$251.50 for added gain

\$30.00 for less shrink

\$136.92 for preconditioning health bonus

(\$10.00) for vaccines/parasite control

(\$109.20) for feed cost

\$299.22 added return to labor and management per preconditioned calf!

If you have 40 calves to sell, that is an additional \$11,969 in your pocket. Now, I forgot to figure in the extra cost of additional trucking because you are going to need a bigger trailer to haul those heavier calves to the feeder auction!

If you read this and said to yourself, “but I am a smaller producer. I don’t have the ability to store 2 or 3 different feeds.” The good news is that nearly all the major feed suppliers make a preconditioning feed that you can purchase and feed with your homegrown hay and/or corn. You can also have them make a custom mix for you that you can get as bagged feed or in bulk. If you have 40 calves that eat an average of 7.5# of a mix (not including hay) per day and feed for 60 days, you will need about 9 tons of feed. Any feed mill would be happy to make that for you.

What if you do not have fences that will allow you to keep the weaned calves away from their dams? We have used Quiet Wean® nose flaps to solve this issue. Walk calves through the chute, place the flap in the nose and turn the cows and calves back together on pasture. The flap prevents the calf from nursing, so that bond between dam and calf is broken.

The calves are still physically with the dam, just unable to nurse. In 4-7 days, walk the calves back through the chute, remove the reusable flap and put the calves on one side of a 1-2 strand electrified fence with the cows on the other side. Since the calves have not nursed for 4-7 days the weaning stress is much less and the calves have little desire to get back with their dams.



2024 is the “no-brainer” year to keep your calves for 60 days or more post weaning to add and capture an even larger paycheck for your calves.

If you always precondition your calves, congratulations on producing a high health calf for the feeder and getting rewarded for doing so. If you preconditioned calves in the past but stopped for some reason, this is the year to look at resuming the process. If you have never preconditioned calves, call your herd health veterinarian to set up a vaccination program specific for your calves. Also contact your feed supplier, nutritionist, extension educator, herd health veterinarian, Chris (317-460-6618) or Mark (765-714-1092) to formulate a ration. (And then call us so we can give you our list of cattle feeders that love to purchase MBCC genetic calves!)

The Feedbunk, Chris Muegge, MS Nutrition

The last decade has been full of research and presentations on how to replace corn in cattle rations with readily available and cost-effective co-products like distillers and soybean hulls. However, with the current surplus of corn, limited storage space, and projected record yields; corn is working its way back to the bunk for cows. With future corn prices under \$4.00/bu, corn is a very competitive energy source, but some caution must be taken when feeding to cows.

While corn is typically saved for the feedlot, research from Ohio States University showed that 1 lb of whole corn can replace 2 lbs of hay during times of hay shortages (Loerch '96). Corn is a very energy dense feed, mostly due to its high starch content. Caution must be taken because its starch levels can cause ruminal acidosis and reduction in forages utilization when fed improperly.

Allowing cows a 7-10 day acclimation period and limiting corn inclusion to 0.75% of the animal's body weight (10# for a 1400# cow) or less are good rules to follow. Allowing cows access to 30 inches of bunk space or more and grouping cows by relative age/size can help limit dominant cows from over-eating. The addition of Rumensin® at 200mg/head/day reduces ruminal acidosis along with improving feed efficiency. Rumensin should be fed in every winter ration and is especially important when feeding corn.

Table 1 compares the cost per ton of nutrients on a dry matter basis between commonly available feedstuffs. While Wet Distiller Grains (WDGS) still delivers the most economical energy source, corn can be stored in gravity bins/wagons, and purchased in smaller quantities. Corn may also be able to be negotiated from a local farm.

Table 1: Cost Per Ton of Nutrient Comparison				
	Shelled Corn	DDGs	WDGS	Soybean Hulls
% DM	85%	90%	35%	91%
% CP	8%	31%	33%	12%
ADJ TDN %	90%	95%	108%	95%
\$/Ton	\$ 142.00	\$ 185.00	\$ 60.00	\$ 175.00
\$/ Ton DM CP	\$ 2,088.24	\$ 663.08	\$ 519.48	\$ 1,589.32
\$/Ton DM TDN	\$ 185.62	\$ 216.37	\$ 158.73	\$ 203.50

Corn does lack in protein. As always, it is very important to test your forage sources and know what you need to supplement. In general, a lactating cow will require a diet roughly 10% protein during lactation. When feeding low quality hay, an additional protein supplement may be required. Table 2 gives a few example diets with low, moderate, and high-quality hay for lactating cows.

Lastly; "To crack or not to crack," there is a complicated answer to this but for now; choose not to crack when feeding to cows. The shell of whole corn provides a fiber source slowing down the rate of starch digestion. Leaving corn intact reduces the acidosis risk and helps to balance rumen pH.

Table 2: Feed Rations for Lactating Cows with Variable Hay			
	Low Quality Hay (8% CP, 54% TDN)	Medium Quality Hay (12.5% CP, 57% TDN)	High Quality Hay (16.4% CP, 60% TDN)
Hay (LBS)	26.00	28.54	29.83
Corn (LBS)	2.00	3.50	1.50
DDGs (LBS)	3.00	0.00	0.00
Mineral (LBS)	0.25	0.25	0.25
Total	31.25	32.29	31.58
CP%	10.34	11.93	15.92
TDN %	62.00	62.00	62.09
Expected Gain (LBS/Day)	0.22	0.11	0.25

Fall Checklist – Spring calving herds

☐ Pregnancy check cows

Have you seen what cull cows are bringing? I have heard reports of \$150/cwt! That puts a 1400# cull cow at \$2100! It is always cost-effective to pregnancy check your cows and sell the open cows. This year makes that fact the understatement of the year. To have an open cow eating your hay all winter and then giving nothing in return is the opposite of our goal of having the cows work for us. In many years the wise economic decision is to replace her with an open heifer, but this year is different. The value of the open heifer is record high and buying a bred female makes much more sense.

Cull cow prices generally hit bottom the middle of November. Pregnancy check early and capture a much better market.

☐ Precondition your calves

Pages 4 - 5 of this newsletter make a strong case for preconditioning.

☐ Sell cull bulls

As high as cull cow prices are, cull bull prices are even higher. It is common to see these 2200# bulls bringing \$200/cwt or \$4400. Many times, it is more than their purchase price. There is no reason to have a bull around that is not superior.

The more information the better

We want everyone that selects cattle from us to have success with them. That is why we provide EPDs, pedigree information, frame score and rate each bull on our star system. All bulls and females that sell have been genomically tested to improve the accuracy of the information that we provide.

We will have videos of the bulls and females available a few weeks before the sale. See www.mwbeefcattle.com. After examining the information, please call us so we can answer all your questions. Our goal is for you to get the animals that best fit your goals.

Fall Checklist – all herds

☐ Test your hay

Send in your hay test now so you can have a trusted advisor develop a customized ration for your herd. There are many YouTube videos on how to take a proper sample. Chris recommends Rock River or Dairyland Labs for analyzing your hay samples.

☐ Save \$\$ on winter feed cost

If you have corn crop residue to graze this is always your most cost-effective feed for the cows soon after weaning. I always hope to get 60-70 days of grazing each year. To do this you need to have the calves weaned and get the cows onto the stalks as soon after weaning as possible.

Feed Rumensin at 200mg/head/day at a cost of \$0.02/head/day to save 8% of your hay. Rumensin improves the rumen environment, so you get more nutrition out of every bite she takes.

☐ Attend the MBCC educational event

We all want to know what the future holds for the cattle market. No one has the exact answer, but when we look at things like cow numbers, heifer retention, feeder calf prices and the weather outlook, we can make a good prediction of where the market is headed for 2025 and beyond. We hope to see you on Saturday, November 9 at 10am Eastern time at the Muegge farm.

☐ Select superior genetics at our fall sale

We will have yearling, 18-month-old and mature bulls at our Saturday, November 9 sale that starts at 1pm Eastern time. These bulls have been developed on a high roughage ration so they will have long, productive lives in your herd. They are endurance athletes, not overfed couch potatoes.

The females are the top cut from MBCC members and customers. They have passed all our criteria to be in this sale and you can purchase with confidence.

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Saturday, November 9, 2024 Seminar & Sale Agenda

You are invited to our annual fall educational seminar and sale. The day begins at 10am with our seminar on “The Beef Cattle Market Outlook for 2024 and Beyond”. We are in unprecedented times in the beef business, and we want you to have the best insight on how to optimize your business for now and the future.

Please view the sale cattle from 11:00am - 12:45pm with a free lunch at noon. We will start the sale at 1pm with the bulls and then offer the females. The sale should take about an hour. Please note that we are on Eastern time!

In the bull sale we have Balancers sired by Tehama Tahoe and a Tahoe son, Hille Stock Options and Civil War. These are all proven sires that fit our goals of calving ease, good growth, superior docility, excellent carcass while making super replacement females. We also have SimAngus bulls that check all the boxes and are sired by 2 top notch AI sires. Our Angus bull is a high growth son of Meade Magnitude.

We will also have a few mature Balancer bulls for those needing a bit more bull power.

In our female sale we will have spring bred females and fall pairs. Every female will be DNA tested to give you confidence in her ability to calve easily, bred back quickly and stay in the herd for many years. We expect her daughters to be keepers and her steers to be moneymakers in the feedlot. A few of the females selling are registered Balancers and if they have a bull calf that meets our criteria for being a keeper, you can put him in our fall 2026 sale.

Sale Location:

M5 Family Farms

3824 S Binford Rd, Carthage, IN 46115