Marketing Virginia Quality Assured Feeder Cattle

Scott Jessee
Extension Agent – Russell Co.
Horses and Mules Compete Successfully with Tractors

Under present conditions, tractors will usually supplement, rather than replace horse or mule labor on most farms. With feed low in price, the horse or mule performs draft more cheaply than the tractor.
Changes in Marketing:

• Livestock Market
• Graded Feeder Cattle Sales
AFCA Sales Schedule

- September 5  Yearling
- September 26  Yearling
- October 10   Calf
- October 24   Calf
- November 7   Calf
Changes in Marketing:

• Livestock Market
• Graded Feeder Cattle Sales
• Tel-O-Auction Field Sales (yearling)
Some party is going to get paid for the packaging of feeder cattle

- Order buyer / dealer
- Individual seller
- Group of sellers
Virginia Quality Assured
Feeder Cattle
VQA Program Goals:

- Improve the health and genetics of Virginia Feeder Cattle
- Provide cattle that meet industry demands
- Identify cattle with superior health and genetic history
Abingdon Feeder Cattle Assoc.

- Began VQA Sales in Fall 2005
- Now sold 7,424 value-added feeder calves
- Added $319,338 to the gross receipts
- +$43.01 per head
Over 50 producers that market cattle regularly in the program
All calves are:

- **Weaned at least 45 days**
- Feed and water trough broke
- **Vaccinated for:**
  - Clostridials (blackleg)
  - Viruses (IBR, PI3, BVD I & II, BRSV)
  - Pasturella
- Ear Tag
- **Average cost = $7.75**
VQA Standards:
AFCA Program Specifics:

• Back-grounded at home of origin
• Vaccinated at home with help from:
  – Local veterinarian
  – Extension Agent
  – Feeder Cattle Association Board Member
• Feeding program is the discretion of producer
• Cattle are graded on the farm by the Virginia Department of Agriculture

• Calves are grouped according to weight and size into load lots (47,000 - 50,000)

• Sale is conducted on the VA Tel-0-Auction

• Take-UP Day is announced and held at Abingdon Livestock Exchange or Tri-State

• Weigh, sort, sort, and sort some more!

• Market handles the transaction and writes checks
92 HEAD STEERS (VQA PURPLE AND GOLD TAG, WEANED 45+ DAYS)
(HOME RAISED, BQA CERTIFIED PRODUCERS)
SOURCE AND AGE VERIFIED by Integrated Traceability Solutions
USDA-Approved Process Verified Program

Breed: 87 Black with few Black-White Face, 5 Charolais-X
(NO PINK NOSES)
Grade: 38 M-1, 54 L&M 2
Weight: Average 540 Lbs Range 480 – 620 Lbs.
Total Weight = 47,000 – 50,000 Lbs
Flesh: 4's with a few 5’s
Feed: 5-6# Commodity Mix and Free Choice Hay
Health: VQA HEALTH PROGRAM: 7-way Clostridial,
Modified-Live Respiratory (IBR, PI3, BRSV, BVD),
Pasteurella, Dewormer. All shots boosterred.
Weighing: Cattle will be hauled 30 miles to Abingdon Livestock Market.
Calves will be weighed individually.
Take-up will be **Wednesday, January 27th**.
Abingdon Livestock Market handling transaction.
Clean Sc: Clean

OWNER:
Abingdon Feeder Cattle Association
234 W. Valley St.
Suite B Abingdon, VA
24210
Scott Jessee:
276-780-0786
276-889-8056
You’ve GOT to be flexible.

• Working as a TEAM
• Not every calf needs to go on the truck.
• Every now and then the truck gets full.

• **GOAL:**
  – Get the most for the group as we can
  – Send buyers the most uniform set of cattle that we can
  – Cattle performance will bring buyers back to Abingdon
Health Programs
How much more do I need at sale time (5-wt) to pay for the vaccination?

$7.75 / 5.5 Cwt. = $1.41 / Cwt
Vacuna contra la Rinotraqueitis–Diarrea Viral–Parainfluenza-3–Virus Sincitial Respiratorio de los Bovinos
Virus Vivo Modificado
Toxoide de Mannheimia Haemolytica

PYRAMID® 5 + PRESONSE® SQ
• Only labeled 1-shot blackleg product
• Will make a knot on the neck
Feeding Rates
Similar Feeding Rates

- Get calves adjusted to feed
- Move to 1% Body Weight
- 400# Calf = 4 #'s
Feeding

• Increase to 1.5% of Body Weight
• 450# calf = 6.75 pounds of feed
Weaning Calves

- Facilities
- Lose weight?
- Short Term Backgrounding (42 days)
- Hay + Grain / Pasture + Grain / Pasture
- 2.12 # / day  2.36# / day  1.79# / day
Will I lose money weaning? (Steers)

- Wean a calf weighing 525#.
- Background using $80 / ton hay and $200 / ton corn gluten
- Over 45 days, calf will eat 12.5# hay and 5# gluten daily.
- Gain around 2.4# / day at a cost of $1.00 ($0.4160 per pound of gain)
- Cost around $41.60 to add 100#
Calculations

- VA Summary for week of August 10
  
  5.25 \# \times \$137.70 = \$722.93
  
  6.33 \# \times \$134.75 = \$852.97

  Difference = \$130.04
  
  Feed Cost = -$44.93

  Added Value = +$85.11
Totals:

- Marketing Difference +$40
- Added Gain +$85
- **TOTAL** $125.00
Will I lose money weaning? (Heifers)

- Wean a calf weighing 525#.
- Background using $80 / ton hay and $200 / ton corn gluten
- Over 45 days, calf will eat 11# hay and 6# gluten daily.
- Gain around 1.7# / day at a cost of $0.90 ($0.53 per pound of gain)
- Cost around $53.00 to add 100#
Calculations

• VA Summary for week of August 10

  5.25 # X $120.77 = $634
  6.00 # X $118.42 = $710

  Difference = $76.00
  Feed Cost = -$40.50

  Added Value = +$35.50
Totals:

• Marketing Difference +$40.00
• Added Gain +$35.50
• TOTAL $75.50
28 Cow Herd

28 calves X $89.00 = $2,492

- Almost as good as 3 more calves
- Pays you $55 per day to feed calves after feed and vaccine expenses
- “Almost as good” as 1 acre tobacco
- At $98 per head, you could buy 25 horses at Kingsport Market (halters are extra)
Single owner vs. Commingled

Difference in price

– Usually higher for one-owner cattle
  • Same farm
  • Same health
  • Same genetics

– Usually higher for cattle back-grounded together
Can I participate in the VQA Sales?

- Abingdon Feeder Cattle sponsored sales are open to all producers
- Contact your local Extension Agent or call:
  - Scott Jessee 276-889-8056
  - Phil Blevins 276-676-6315
  - Butch Foster (Cattlemen) 423-360-0434
Abingdon’s VQA Sale

• Benefits:
  – After 7 years, AFCA has developed a “good reputation” and buyers are coming back!
  – VQA Calves are advertised by AFCA, Virginia Cattlemen, and the Virginia Department of Agriculture
  – Local livestock market participates, provides labor, and writes the check!
Thank-You’s

• Virginia Department of Agriculture
  – CW Pratt and Glenn Wheeler

• Virginia Cattlemen’s Association
  – Butch Foster and Bill McKinnon

• Abingdon Livestock Market
  – Rick, Rob, Brice, & Judy

• Extension
FINAL THOUGHTS

• Easy to sell cattle when the market is high
• Extra dollars in a bad year?
• Past performance doesn’t “guarantee” future profitability