

## COW/CALF CORNER

### **The Newsletter From the Oklahoma Cooperative Extension Service**

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#### Cattle Markets Stabilize

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The good news is that there is some good news in cattle and beef markets this last week. Choice boxed beef prices improved \$3+/cwt. this week and were nearly matched dollar for dollar with stronger fed cattle prices. Current feedlot supplies of ready cattle are fairly tight at this time despite the fact that the last Cattle on Feed report showed that feedlot inventories were slightly higher than last year for October 1. Feedlot inventories have increased the past three months due to reduced marketings and larger placements. The marketings rate, as a percent of total feedlot inventories has remained close year ago and average levels and does not suggest any significant backup in feedlot cattle. Larger placements implies that more cattle will be available in the coming months. However, the weight breakdown of placements makes it very premature to suggest inevitable problems down the road. And, of course, there is also the potential for winter weather to impact fed cattle markets for better or worse.

Feeder cattle prices were steady to higher this week and a few days of sunshine jump-started stocker demand with higher prices despite last week's large run of feeder cattle. Limited improvement in March Feeder Cattle futures means that a decent stocker margin still remains and additional demand for stocker cattle is expected to keep calf prices steady to slightly higher for the next month. Not all the news is good as delays in corn harvest have pushed corn futures

higher. However, the fact is that the corn is made and while harvest problems may mean additional harvest of high moisture corn much of this supply may be available to feedlots at effective prices lower than suggested by corn futures.

### **Know the USDA Cull Cow Grades Before You Send Them to Market**

Glenn Selk, OSU Extension Cattle Reproduction Specialist

Some culling of beef cows occurs in most herds every year. The Beef Audits have generally shown that cull cows, bulls, and cull dairy cows make up about 20% of the beef available for consumption in the United States. About half of this group (or 10% of the beef supply) comes from cull beef cows.

Whether we are culling because of drought or to improve the productivity of the herd, it is important to understand the values placed on cull cows intended for slaughter.

The USDA market news service reports on four classes of cull cows (not destined to be replacements). The four classes are divided primarily on fatness. The highest conditioned cull cows are reported as "Breakers". They usually are quite fleshy and generally have excellent dressing percentages. Body condition score 7 and above are required to be "Breakers".



The next class is a more moderate conditioned group of cows called "Boners" or "Boning Utility". These cows usually would fall in the body condition score grades of 5 to 7. Many well-

nourished commercial beef cows would be graded "Boners".



The last two grades of cows as reported by the market news service are the "Leans" and "Lights". These cows are very thin (Body condition scores 1 - 4). They are in general expected to be lower in dressing percentage than the fleshier cows and are more easily bruised while being transported than are cows in better body condition. "Lights" are thin cows that are very small and would have very low hot carcass weights.



Leans and Lights are nearly always lower in price per pound than are the Boners and the Breakers. "Lights" often bring the lowest price per pound because the amount of saleable product is small, even though the overhead costs of slaughtering and processing are about the same as larger, fleshier cows. Also thin cows are more susceptible to bruising while in transit to market and to the harvest plant. Therefore, more trim loss is likely to occur with thin cull cows than with those in better body condition.

Producers that sell cull cows should pay close attention to the market news reports about the price differentials of the cows in these classes. Cull cows that can be fed enough to gain body condition to improve from the Lean class to Boner class can gain weight and gain in value per pound at the same time. Seldom, if ever, does this situation exist elsewhere in the beef business. Therefore during the fall and early winter, market your cull cows while still in good enough condition to fall in the Boner grade. If cows are being culled while very thin, consider short term dry lot feeding to take them up in weight and up in grade. This usually can be done in about 50 to 70 days with excellent feed efficiency. Rarely does it pay to feed enough to move the cows to "Breaker" class. There is very little, if any, price per pound advantage of Breakers over Boners and cows lose feed efficiency if fed to that degree of fatness.

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