

COW/CALF CORNER

The Newsletter

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Winter Stocker Prospects: Risk Considerations

Derrell S. Peel, Oklahoma State University Extension Livestock Marketing Specialist

Recent rains across much of Oklahoma have provided the moisture needed to plant wheat for fall and winter forage. Many producers are likely in the process of deciding how many stockers to buy and how soon. Buying stockers early offers the opportunity to maximize the winter grazing enterprise but involves many production and market risk considerations. On the other hand, waiting another month to buy stockers could have two possible advantages: the quantity and quality of winter forage will be known with more certainty and seasonally lower calf prices may provide a better purchase price. Nevertheless, this year it appears that there are several reasons to consider a more aggressive and early start to winter stockers.

Current prices for stocker calves relative to Feeder futures suggest an unusually strong margin for stocker production. It is possible to lock in a buy-sell margin that ensures a value of gain close to \$1.00

per pound for winter grazing. While the normal seasonal pattern is for calf prices to fall into October and November, there is a good chance that prices will fall less than usual this year and in fact, could increase in the next thirty days if strong wheat pasture demand materializes. Given that the market is already offering a good buy-sell margin, there appears to be less argument than usual for waiting to buy.

The production risk is still very real. While there is current moisture to plant wheat, in most cases, additional rain will be needed to ensure adequate fall forage growth. However, many producers have had a good excellent forage growth this summer and have available standing forage or hay. With the strong value of gain, it is feasible to put together drylot or semi-confinement growing rations that provide a return for growing cattle while waiting for wheat pasture to develop or, in the worst case of no wheat pasture, to feed stockers in a growing program long enough to sell them profitably. One of the advantages of the current small rollback in feeder prices is that it does not require as many days for a stocker program to be economically feasible.

The inherent risks of stocker cattle production are often magnified when trying to initiate winter stocker programs early. However, this year there appear to be rather unique opportunities to manage both the market risk and the production risk of early winter stocker purchases. Much of what we call profit in the stocker business is the return for taking risks and it is the taking of those calculated risks that offer the greatest return potential. The stocker business is all about taking advantage of opportunities and there are opportunities to move more quickly and more aggressively this fall.

Fenceline Low Stress Weaning

By Glenn Selk, Oklahoma State University Animal Science Professor Emeritus

Spring calving herds across the Midwest and Southwest will soon be planning to wean the calves. Some producers may wean the calves from young or thin cows during late September in order to regain some body condition before winter adds to the nutrient requirements. However, many herds will wean at the more traditional times of late October to early November. Calves that are enrolled in Value-added programs must be weaned at least 45 days prior to sale date. During those 45 days the calves must grow and gain efficiently. Therefore it is critical that these calves go through the weaning process with a minimum of stress and start to gain immediately.

Methods to reduce stress on the calves have become of great interest to producers. Therefore, weaning strategies have been studied in recent years. California researchers weaned calves with only a fence (Fenceline) separating them from their dams. These were compared to calves weaned totally separate (Separate) from dams. The Separate Calves could not see or hear their

dams. Calf behaviors were monitored for five days following weaning. Fenceline calves and cows spent approximately 60% and 40% of their time, respectively within 10 feet of the fence during the first two days. During the first three days, Fenceline calves bawled and walked less, and ate and rested more, but these differences disappeared by the fourth day. All calves were managed together starting 7 days after weaning. After two weeks, Fenceline calves had gained 23 pounds more than Separate calves. This difference persisted since, after 10 weeks, Fenceline calves had gained 110 pounds (1.57 lb/day), compared to 84 pounds (1.20 lb/day) for Separate calves. There was no report of any differences in sickness, but calves that eat more during the first days after weaning should stay healthier. In fact, another study conducted at Ohio State University indicated that Fenceline calves had a lower incidence of respiratory diseases.

Producers that have tried Fenceline weaning will remind us that it takes good, well maintained fences and adequate water supplies for both sides of the fence. Remember, a large number of cattle are going to be congregated in a small area for several days. Therefore water availability for both cows and calves is critical. To wean and background, even for short periods, Fenceline weaning should be considered. More information about value-added calf programs including nutritional recommendations can be found at the Oklahoma Quality Beef Network website: <http://www.oqbn.okstate.edu/> Source: Price, et al. 2003. Fenceline contact of beef calves with their dams at weaning reduced the negative effects of separation on behavior and growth rate. *J Anim Sci* 81: 116-121.

Totusek Lectureship Slated at Oklahoma State University

By Katie L. Reim, Communication Specialist, Oklahoma State University Agriculture Communication Services

The Oklahoma State University Department of Animal Science and the Animal Science Graduate Student Association will present the 17th Annual Totusek Lectureship November 4 – 5.

The event begins the evening of November 4 with a prime rib dinner and seminar, followed by a noon general seminar in animal science on November 5. The event is free, but those who are interested are asked to RSVP to Evin Sharman at evin.sharman@okstate.edu.

This year's lectureship will feature speaker Mike Thoren who has served as the President and Chief Executive Officer (CEO) of JBS Five Rivers Cattle Feeding LLC since the Company's inception. From 2003 until 2005, Thoren was the President and CEO of ContiBeef LLC, a former wholly owned subsidiary of Continental Grain Company.

He began his career with the Cattle Feeding Division of Continental Grain Company in 1991 and worked his way up through the Company as feedyard general manager, director of feedlot

operations, vice president of operations, and CEO. Thoren received his bachelor's in agribusiness and his master's in agricultural economics from Washington State University.

Sharman, Animal Science Graduate Student Association president, said Thoren has a vast amount of experience and knowledge of the cattle feeding industry to share and this lectureship will provide a unique opportunity to hear a voice from the industry with the dedication for the future of beef production.

“Thoren will discuss the future of the cattle feeding industry,” Sharman said. “This lecture should be good insight on how the cattle feeding industry will change over the next few years.”

The lectureship is in honor of Robert Totusek, who was a member of the OSU Animal Science faculty for more than 38 years, including 14 years as head of the department.

Totusek was a friend and advisor to all and is known for his contributions in animal evaluation, beef cattle nutrition and livestock production.

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