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COW/CALF CORNER

The Newsletter

From the Oklahoma Cooperative Extension Service

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In this Issue:

Drought Management and Market Impacts Growing

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

Culling Order for Fall-Calving Herds When Forage is Limited

Glenn Selk, Oklahoma State University Emeritus Extension Specialist

Drought Management and Market Impacts Growing

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

The management and market impacts of drought in Oklahoma are intensifying rapidly. The situation in Oklahoma is becoming a bit more regional in nature as much of the eastern one-third of Oklahoma has received some very timely moisture in the past few days. Though these rains do not eliminate drought concerns in that region, they provide some immediate relief and significantly expand management options for producers. However, the western two-thirds of Oklahoma remain exceptionally dry and management options are increasingly limited.

Significant direct market impacts of the drought are not apparent at this time. Though most cattle prices decreased slightly the past week, it is most likely due to seasonal and broader market impacts than due to drought. Oklahoma auction volumes for cows and bulls are up roughly 22 percent for the year to date, as is beef cow slaughter in the southern plains (up 11 percent in Region 6, which includes Oklahoma and Texas) but it is likely that most of that is due to high prices more than the result of drought forced movement. However, the impending drought impacts may be part of these cow marketing decisions, at least indirectly. While the market impacts of drought may not very significant yet, the impacts could increase dramatically, especially for cow prices, if the drought continues to worsen over the next 30-60 days.

The management impacts, in contrast to the market impacts, are very immediate and severe already. In many cases, lack of water is as much of a limitation as lack of forage and producers face several unpleasant choices very soon. Several resources are available to assist producers in drought related management at the OSU drought website at <http://agwater.okstate.edu/research-extension/drought/drought>. Resources are available that relate to a variety of topics including:

- General drought management considerations
- Financial planning to survive drought
- Tax implications of drought
- Cattle management during drought
- Feed, pasture and water management during drought

Producers are reminded that drought impacts should be well documented to maintain eligibility for government disaster programs and for possible tax consequences. Documentation should include all drought related impacts such as:

- feed purchases to maintain livestock
- lost grazing or hay production
- unplanned cattle sales due to drought
- costs associated with relocating and temporary care of livestock
- local weather and rainfall records
- photos of poor forage conditions, dried up ponds, etc may help

Culling Order for Fall-Calving Herds When Forage is Limited

Glenn Selk, Oklahoma State University Emeritus Extension Specialist

Many producers are currently being faced with limited forage availability due to drought and/or fire. One of the first management tools that should be evaluated for cow/calf producers is to cull poorer producing cows and capture their value at a time when the prices for cows and culled replacement heifers are strong and allow for some capital investment to be used when cattle prices may be lower and forage supplies are more plentiful.

Below is a suggested order of culling for fall-calving herds in the face of diminishing forage supplies.

Culling order:

1. Open (non-pregnant) old cows
2. Open replacement heifers

3. Old cows with unsound mouth, eyes, or feet and legs
4. Open cows of any age
5. Thin cows over 7 years of age (BCS < 4)
6. Very late bred young cows

The first two items on the list are automatic culls in any forage year. Old open cows are not worth keeping through a low-forage, expensive feeding period. Replacement heifers that were properly developed and mated to a fertile bull or in a well organized AI program should be pregnant. If they are not bred, there is a likelihood that they are reproductively unsound and should be removed from the herd while still young enough to go to the feedlot and grade choice with an A maturity carcass. The more difficult decisions come when the producer is short enough in forage and feed supplies that he/she feels the need to cull cows that have been palpated and found pregnant. That order of culling starts with line 5 on our culling order. This is necessary only when grass and feed supplies are very short. The thin older cows are going to require additional feed resources to have a high probability of being productive the following year and the late bred 2 year olds are least likely to have long-term productivity in your herd.

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