

COW/CALF CORNER

The Newsletter

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Less Calves and Fewer Imports Means an Ever Tighter Feeder Supply

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The latest Cattle on Feed report indicated that the September 1 feedlot inventory was 99 percent of the same time last year. This represents only the second time in the last 28 months that feedlot inventories have dropped below year earlier levels on a month to month basis. The only other time was the brief May 1 drop below 100 percent of year earlier levels. This leads to two

important questions: how have feedlots been able to hold inventories at such high levels?; and will feedlots be able to maintain feedlot inventories in the coming months?

The September 1 feedlot inventory was 10.637 million head, down less than one percent from last year but still 4.5 percent above the same period in 2010. In fact, except for the slight decrease from last year, this September 1 inventory is the largest since 2006. This is remarkable given that the total calf crop has decreased every year since 2006. (The last annual increase in the calf crop was in 1995.) The 2012 calf crop is projected at 34.5 million head, down 6.8 percent from 2006 and down 2.3 percent from last year.

Increased imports of feeder cattle from Mexico and Canada partially offset decreased U.S. calf production. The increase in feeder cattle imports from 2010 through the year to date in 2012 equals roughly 40 percent of the decrease in calf crop over the period. So far in 2012, imports of feeder cattle are up about 287,344 head, a 35 percent increase and nearly all due to increased imports from Mexico. At the current pace, Mexico could contribute an additional 220,000 head by the end of the year. However, Mexican cattle imports are expected to slow in the coming months. It appears that much of the increase in Mexican cattle numbers since 2010 is the result of drought impacts. In 2011, 34 percent of the year over year increase in Mexican cattle imports was heifers, representing 14.7 percent of total cattle imports and the largest imported heifer total going at least back to 2001.

For the January to July period in 2012, the number of imported heifers was over 268,000 head, more than in all of 2011, and representing 27 percent of the year to date import total compared to last year. The increase in heifers represents 67 percent of the year over year increase in imports and suggests herd liquidation in Mexico. Imports of cattle originating in several drought-stricken Mexican states are up sharply this year. The other 33 percent of increased Mexican cattle imports in 2012 is steers less than 200 pounds. Nearly 84,000 head of these peewee steers have already been imported in 2012 compared to a scant 232 head for the entire year in 2011. These ultra-lightweight steers would have been imported over the next several months but are already part of the increased total so far this year. There has been no increase in 2012 of imports of the typical Mexican feeder steers over 200 pounds. Although changes in the health status of Chihuahua, the largest source of Mexican cattle imports, has no doubt temporarily limited imports from that state, the overall picture is that Mexican cattle imports have been augmented by drought impacts in the short run and will be followed by sharply reduced imports on the back side of the drought.

In addition to imports, other factors such as replacement heifers entering the beef cow herd and reduced calf slaughter have had limited impacts on feeder cattle availability but it is placement

patterns that explain most of feedlots' abilities to maintain inventory with declining numbers in recent years. For the year 2011, total feedlot placements were up 1.8 percent. Within that, all placement weight categories were down except for a 20 percent increase in placements of cattle weighing less than 600 pounds. This was partly due to the drought in 2011. The situation is quite different in 2012. Total placements for the January to August period are down 3.9 percent compared to the same period last year. Moreover, placements of cattle less than 600 pounds are down 8.8 percent and placements of cattle weighing between 600 and 700 pounds are down 10 percent compared to the same period last year. In fact, it is only an increase of 6.8 percent in placements of cattle over 800 pounds that limits the total decrease to less than 4 percent.

So, will feedlots be able to maintain inventories in the coming months? The answer is no. Feedlots have not placed the large numbers of lightweight cattle that will stay on feed for many months like they did last year. While lightweight placements will increase seasonally the next couple of months, the weight distribution in feedlots suggests that feedlot inventories will pull below year earlier levels and stay below for many months. Additionally, feeder cattle imports will drop, if not immediately, certainly in the next few months, contributing to the inability of feedlot to maintain feedlot inventories. Finally, in the absence of drought in 2013, increased heifer retention combined with a still smaller calf crop will further reduce feeder supplies. The short supply of feeder cattle, masked by the impacts of two years of drought, is finally catching up with us.

Follow BQA Guidelines When Culling Cows

Glenn Selk, Oklahoma State University Emeritus Extension Animal Scientist

Many cow herds have already been culled deeply due to the drought of the last two summers. However, spring calving herds may still need to be examined for a few non-productive cows that should be removed before winter. October and November are typical months for calf weaning, pregnancy checking of cows, and cow culling.

On very rare occasions violative residues of pharmaceutical products have been found in carcass tissues of cull beef cows. Violations of drug residue regulations can result in expensive fines (or even worse, jail time) for the rancher and a "black-eye" for the entire beef industry. **It is vital that cow calf producers have a close working relationship with a large animal veterinarian in their area.** If a cow has an infection or disease that must be treated, her owner should closely follow the veterinarian's directions, and also read the label of the product used. Most of these medications will require that the producer keep the treated animal for the label-directed withdrawal time. The Oklahoma Beef Quality Assurance Manual contains the following discussion of medication withdrawal times.

"A withdrawal time may be indicated on the label of certain medications. This is the period of time that must pass between the last treatment and the time the animal will be slaughtered or milk used for human consumption. For example, if a medication with a 14-day withdrawal

period was last given on August 1, the withdrawal would be completed on August 15 and that would be the earliest the animal could be harvested for human consumption. All federally approved drugs will include the required withdrawal time for that drug on the product label or package insert. These withdrawal times can range from zero to as many as 60 days or more. It is the producer's responsibility to be aware of withdrawal times of any drugs used in their operation. Unacceptable levels of drug residues detected in edible tissues collected at harvest may result in traceback, quarantine, and potential fines or jail time. Substantial economic losses may result for the individual producer as well as negative publicity for the entire beef industry..."

Producers are responsible for residue problems and should follow these four rules:

1. If ever in doubt, rely on the veterinarian-client-patient relationship you have established with your veterinarian.
2. Use only medications approved for cattle and exactly as the label directs or as prescribed by your veterinarian.
3. Do not market animals for food until the withdrawal time listed on the label or as prescribed by the veterinarian has elapsed.
4. Keep well organized, detailed records of pharmaceutical products given to individually identified animals. Include in the record, the date of administration, route of administration, dosage given, lot or serial number of product given, person delivering the product, and label or prescription listing of withdrawal dates. Examples of Beef Quality Assurance records can be found in the Oklahoma Beef Quality Assurance Manual website at the menu item "[Record Keeping Forms](#)". Records should be kept for 3 years after sale of the animal.

Bovine Mortality Management

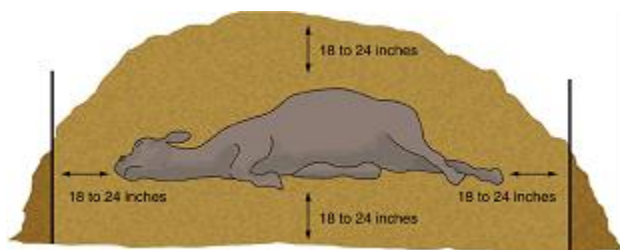
Dr. Josh Payne, Oklahoma State University Extension Area Animal Waste Management Specialist

Bovine mortality is an issue encountered by every rancher. Mortality may be associated with disease, injury, age or a catastrophic event. Following mortality, the carcass must be properly disposed of according to local regulations. For many ranchers, carcass disposal options are limited and can be costly. Improper disposal of animal carcasses, such as abandonment, can present potential environmental, animal and public health risks and is illegal in most states.

Common methods for livestock mortality disposal include burial, incineration, rendering, landfills and composting. Burial requires that local environmental guidelines be followed, requires heavy equipment, may temporarily disturb the land needed for grazing and brings the carcass closer to the water table. Proper incineration requires a closed air unit, can be costly due to fuel costs and is mainly designed for smaller animals; dismemberment may be required for larger carcasses. Although rendering is a very effective method for carcass disposal, rendering is limited by the small and declining number of rendering facilities. Disposing of carcasses at a licensed landfill that accepts animal mortalities is another form of burial. Landfills may require notification before delivery and tipping fees often range from \$20-\$40/ton. Both rendering and landfill disposal require transportation of the carcass off-site which may increase biosecurity risks during a disease outbreak.

Composting bovine mortalities is a relatively inexpensive, biosecure and environmentally sound approach to addressing the issue of carcass disposal when properly managed. By definition, composting is a controlled biological decomposition process that converts organic matter into a stable, humus-like product. Composting animal carcasses is characterized by microbial breakdown of a large centralized nitrogen source, the carcass, which is surrounded by a carbon source, the bulking agent. The process begins with an initial breakdown of carcass soft tissue by naturally present microorganisms which produce heat and carbon dioxide as by-products. Following soft tissue decomposition, thorough mixing of the bulking agent and carcass promotes an ideal blend of carbon and nitrogen for optimum composting. The bulking agent traps leachate and odors produced during the process, therefore acting as a biofilter between the carcass and the environment. The continuous high temperatures (>130°F) achieved through proper composting will destroy most pathogens and viruses. Microorganisms will eventually degrade the carcass leaving only a few remaining bones. This valuable by-product can then be land applied as a fertilizer source, recycling nutrients and organic matter to the soil, or reused to compost additional mortalities. Research conducted at OSU has demonstrated that stocker calves can be composted within 5 months using wood shavings or a mixture of shavings and manure. For more information on managing livestock mortalities, refer to OSU Fact Sheets “[Proper Disposal of Routine and Catastrophic Livestock and Poultry Mortality](#)” and “[On-Farm Mortality Composting of Livestock Carcasses](#)”.

Figure 1. Livestock mortality compost pile



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