

# COW/CALF CORNER

The Newsletter

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# **Boxed Beef Run Continues; Feedlot Inventories Down Less**

Derrell S. Peel, Oklahoma State University Livestock Marketing Specialist

Choice boxed beef finished last week at a record weekly average of \$207.49/cwt., up \$4/cwt. from last week and up \$17/cwt. from the recent lows last month. Though this market may be near a peak, the strength and duration of the recent run has been impressive and sets the stage for a stronger summer beef market. If the follow-through from the Memorial Day holiday is good, the boxed beef cutout may be set to hold at stronger levels through the summer. From the current highs, Choice boxed beef could hold near the \$200/cwt. for seasonal summer lows before moving higher again into the fourth quarter.

The May Cattle on Feed report showed a second month of strong feedlot placements. However, both March and April were compared to relatively small placements last year and April had one more business day this year so the increases are not as much as it appears. Combined March and April placements were up 336,000 head from last year, though placements for year to date are up only 133,000 head. That raises an important point to keep the recent placement numbers in perspective. Much of the increase in March and April placements were heavy weight feeders that will be matched with earlier lightweight placements when they are marketed in August and September. Those earlier lightweight placements were down significantly year over year which means the recent surge in placements is more of a moderation of coming feedlot marketings than a significant increase. Feedlot inventories are down less than two months ago but they are still down.

The increase in placements this spring was due to several factors. It appears that a good share of the March placements were drought related movement of feeders, especially in the southern plains. The April placements were concentrated in Nebraska and Iowa and likely were backgrounded feeders utilizing the large quantities of corn silage made from drought damaged corn last summer. The movement of these cattle in April was likely somewhat sooner than expected as the long winter exhausted feed supplies in many areas.

The net increase in feedlot placements so far this year is interesting, especially considering that the net imports of feeder cattle from Mexico and Canada is down by 192,000 head and raises the question of what was the source of the cattle. I suspect that some of the increased placements was early movement of backgrounded animals, which means they will not be available later. Although there is no data to confirm it, I also suspect that some of the increase was replacement heifers that have already been diverted back into the feeder market. While these heifers will not be back as replacements, there may be increased demand for replacements later in the year if conditions improve. Mexican cattle imports are likely to remain diminished for the rest of the year and are likely to total a half million head less this year compared to 2012. The point is that feeder supplies are still tight and more feedlot placements now likely means less later.

## **Spring Time Storms and the Cow Herd**

Glenn Selk, Oklahoma State University Emeritus Extension Animal Scientist; (adapted from D. W. Smith, Extension Safety Program Specialist, Texas A&M)

Spring time is thunderstorm season across the Plains. As we observed this week, spring storms occasionally bring severe winds or even tornadoes. Cleaning up after a severe storm is difficult enough. Losing valuable cattle brings additional financial hardship to the situation.

Cattle loss can occur in several scenarios. Livestock may be killed, lost, or stolen during a stormy situation. An accurate accounting of livestock and property is essential to a cattle operation's storm preparedness. Keep a CURRENT inventory of all animals and the pastures where they are located. Individual animal ID tags on all animals have several other purposes, but can become extremely valuable if cattle become scattered or even stolen. If these records are computer based, consider having a "back-up" copy stored at a neighbor's or a relative's house.

An up-to-date immunization program for your cow herd can be doubly important if a storm hits your area. Cattle that are intermingled with animals from other farms and ranches may become exposed to pathogens that generally have not been a problem on your operation.

The Texas A&M Extension Disaster Education Network has an excellent fact sheet by David W. Smith (Extension Safety Program Specialist) on farmstead preparedness and care after a storm. It can be found on line at:

<http://texashelp.tamu.edu/005-agriculture/farmstead-preparedness-recovery.php> . Their experience with both tornadoes and hurricanes can be helpful for producers in other states.

A few of their suggestions for protecting cattle from the aftermath of storms include:

1. Gather and dispose of trash, limbs, wire, and damaged equipment that could harm livestock. Clear and repair damaged fences.
2. Make sure livestock have plenty of water and food that have not been contaminated by pollutants. In some cases, it is necessary to truck in water and food, or to remove livestock from contaminated areas.
3. Properly and immediately dispose of dead carcasses. If rendering plants are still available in your area, they may process some dead animals. Those not processed should be buried away from water bodies at least 3 to 4 feet deep and covered with quick-lime to accelerate decomposition.
4. Observe livestock for signs of infectious disease such as pneumonia or foot rot. All animals that die immediately following a disaster should be necropsied by a veterinarian.
5. Spray livestock with insect repellent in case of floods to protect against mosquitoes that may carry disease.

There are other things to consider when clearing the storm debris. Be mindful of such things as fiberglass insulation that is often scattered across pastures. Gather as much of the big pieces as possible so that cattle do not consume large amounts of the insulation. Also plastic bags may be ingested by cattle and cause compacted intestinal tracts. Avoid junk or debris that could be a source of lead. (This could really be an issue after a severe thunderstorm or tornado with wind damage which results in roofing debris spread across the pasture.) DO NOT allow cattle access to pastures where old car batteries or sources of crank case oil (old abandoned vehicles or machines) may cause lead poisoning.

## **OQBN Releases PRECON Program to Add another Tool for Oklahoma Producers to Utilize**

Gant Mourer, Oklahoma State University Beef Value Enhancement Specialist

In 2001 Oklahoma State University and the Oklahoma Cattlemen's Association came together and formed a marketing and value added beef network for Oklahoma producers called The Oklahoma Quality Beef Network (OQBN). The Oklahoma Quality Beef Network, at its base, is a communication and educational tool to increase opportunities and provide quality cattle to all segments of Oklahoma's beef industry.

Using OQBN as that communication tool, feedback from feedlots, packers and extension personnel was positive and they communicated that they needed cattle that could be managed in a way to increase feeding performance and more importantly health in the feedlot. The OQBN VAC-45 program was then developed. Cow/Calf producers had the opportunity to enroll in the VAC-45 program or another "branded" value added program if their calves were weaned for 45 days and met a handful of other management requirements. These calves were then offered for sale and received a premium for producers, who many already were doing these management practices. OQBN VAC-45 is still strong and sold over 3500 head with a 9.23\$/cwt overall premium in 2012.

Recently, using OQBN to communicate with Oklahoma's producers, demand for a verified stocker program has been strong. Producers, who put together cattle from many sources and have been meeting

feedlot demand for healthy high quality calves for years, now have the option to verify those cattle through the OQBN PRECON program. The new program will allow producers to capitalize on premiums, and it allows for summer stockers as well as stocker cattle grazing wheat pasture to qualify. It may also allow cow/calf producers some relief during drought who are not ready to commit to rebuilding their cow herd but still have some early season grass available or producers out west where condition persist with little native grass but hopefully an increase in moisture will allow wheat pasture next fall.

OQBN PRECON does not replace the VAC-45 program. It is just another option to provide quality cattle within the state. Again, other “branded” value added programs who meet OQBN PRECON requirements are eligible for enrollment. Once enrolled and cattle are verified by OSU Extension personnel, producers have the option to market cattle in OQBN sales that are meant to bring large numbers of similar type cattle together for buyers. If a producer has other avenues of marketing cattle then they will still have the verified status on their cattle aiding them in their marketing efforts.

To verify cattle with OQBN PRECON cattle can be brought together from several different sources, not necessarily raised on the ranch of origin as is required for the VAC-45 program. However, cattle must be retained for a minimum of 60 days past the first vaccination (not 60 days from arrival) and cattle must be vaccinated with an IBR-BVD-BRSV-PI3, clostridial bacterin-toxoid and Mannheimia Haemolytic bacterin-toxoid upon receiving of cattle as well as boosterd 14-21 days later. Cattle will also be castrated, dehorned and dewormed before verifying can be finalized. For more information and a full list of requirements please visit [www.oqbn.okstate.edu](http://www.oqbn.okstate.edu) , contact your local county extension educator or Gant Mourer at 405 744-6060, [gantm@okstate.edu](mailto:gantm@okstate.edu).

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