COW/CALF CORNER

The Newsletter

From the Oklahoma Cooperative Extension Service

March 30, 2015

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Beef herd rebuilding: What's next?

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

The long-awaited end to beef cow herd liquidation happened in 2014 as the industry abruptly switched to expansion. The 2.1 percent increase in beef cow numbers in 2014 was more than generally expected but not a big surprise as the conditions were right for such a turnaround. Modest growth in heifer inventories has occurred since 2012. It wasn't until 2014 that beef cow culling decreased enough to combine with heifer retention and result in herd growth. This leads to a number of questions including how much additional herd growth is needed; how fast can it happen; and where will it take place. The answers to these questions are not completely apparent at this time and will depend on a number of factors yet to be determined in the coming years. However there are some indications already in place.

After a brief attempt at expansion in 2004 and 2005, the industry has experienced unplanned herd liquidation. I mean unplanned in the sense that it was not typical cyclical factors that caused the liquidation. It was not, for the most part, low cattle prices but rather cost shocks that caused low returns and liquidation between 2006 and 2010. Widespread drought forced additional liquidation between 2011 and 2013. The question of how much growth is needed will depend on domestic and international market conditions over the next few years as herd growth occurs. It will depend also on things such as carcass weights that will determine total beef production relative to slaughter rates. At this point I see little reason why the cow herd should not rebuild to at least the level of the truncated expansion in 2007-2008...roughly 32.5 million head. That would suggest another 2.8 million head beyond the January, 2015 level. This implies total herd growth of nearly 9.5 percent in the next few years. Time and market conditions will, however, determine exactly what the size potential is for the industry.

How long will it take? At the 2014 rate of 2.1 percent per year, it would take until 2019 to surpass the 32 million head level. In the last complete cyclical expansion from 1990-1995, the average annual herd growth rate was 1.4 percent. Leaving out the slow first year and tapering off the last year, the principal four years of expansion during this period averaged 2 percent per year. In the current expansion, a single year of faster growth is very possible but it is unlikely that an annual growth rate much above 2 percent could be maintained for two or three years consecutively. There are however, a number of regional factors that could slow down expansion. An average herd growth rate of 1.5 percent would take until 2021 to exceed 32 million head of beef cows. The question of how long is related to the question of where herd growth will take place.

In five Midwestern states from Missouri to Ohio, the beef cow herd in 2015 was 8.4 percent smaller than in 2008. In the Appalachian states of Kentucky, Tennessee and West Virginia, the 2015 beef cow inventory was down 15 percent compared to 2008. In both of these regions, the decrease in beef cows is largely the result of decreased forage acreage due to expanded crop production. Lost pasture and hay production in these regions is not likely to return quickly, if ever. The beef cow herd in these regions will grow but is unlikely to rebuild to previous levels. The Northern Plains states of Nebraska and the Dakotas experienced a modest 2.9 percent decrease in the beef cow herd between 2008 and 2015. Similarly, the 2008-2015 beef cow herd decrease in the Northern Rocky Mountain region of Montana and Wyoming was only 1.2 percent. These regions will likely experience herd rebuilding but the two regions together are currently only 155 thousand head below the 2008 level. The beef cow herd in other regions is down as well including the South (down 3.8 percent; the Great lakes region (down 4.7 percent); the Gulf region (down 8.1 percent); the Southern Rocky Mountain region (down 2.8 percent) and the Southwest (down 9.4 percent). These five regions combined are down just over 500 thousand head from 2008 and will likely rebuild but drought will limit or slow the rate of growth in Southwest and Southern Rocky mountain regions.

The 2015 beef cow inventory of the Southern Plains region (Kansas, Oklahoma and Texas) was down 13.2 percent from 2008, a decrease of over 1.1 million head. This represents 42 percent of the total beef cow herd decline between 2008 and 2015. This region will clearly play a central role in U.S. beef cow herd expansion in the coming years. Parts of the region are still experiencing severe to exceptional drought conditions. The 6.2 percent herd expansion in 2014 in the Southern Plains may be difficult to maintain if drought conditions do not improve significantly. Moreover, herd expansion could be halted or reversed if drought conditions redevelop in the region.

While the final beef cow herd total for this expansion is unknown, it seems likely that the industry will be rebuilding or trying to rebuild for the remainder of the decade. Much of the herd growth will be in the Southern Plains with proportionately more growth likely in the western half of the country compared to the eastern half.

Alternative weaning dates for fall-calving cows

Glenn Selk, Oklahoma State University Emeritus Extension Animal Scientist

Oklahoma State University animal scientists evaluated weaning dates of 158 Angus fall-calving cows over a 4 year period. Cows were allowed to nurse their calves for about 210 days (April Weaning) or 300 days (July-Wean). All cows calved in September or October and were weaned in mid-April (April-Wean) or mid-July (July-Wean). April-weaned young cows had greater rebreeding percentages (98.4% versus 89.3%) than July-weaned young cows. Young cows were defined as the two and three year old cows.

However, there was no advantage in the re-breeding performance of April-weaned *mature* cows compared to July-weaned *mature* cows (90.2% versus 96.7%). *Mature* cows were defined as cows that were 4 years of age and older. April-weaned cows were heavier and fleshier at calving than July-weaned cows.

Calves weaned in July were 90 days older and 204 pounds heavier (642 lb versus 438 lb) when weaned than were the April-weaned calves. The April-weaned calves were allowed to graze native pasture after weaning and weighed 607 pounds in mid July. Source: Hudson, et al. Journal of Anim. Sci. 2010 vol. 88:1577.

With high priced supplements, and concern about summer pasture prospects, April weaning of fall-calving cows may be worth a close look in 2015. Young and/or thin cows should benefit most from the early-weaning date. A couple of extra months without a nursing calf should give thin cows a better chance to "bounce back" in body condition before calving next fall. Selling calves at a younger age and lighter weight should be offset by a higher rebreeding performance in the cow herd during next winter's breeding season.

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