

COW/CALF CORNER

The Newsletter

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Proper injection sites to remember at calf-working time

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The month of May is traditionally the time when “spring round-ups” take place. This is the time that large and small cow/calf operations schedule the “working” of the calves. As the majority of the calves reach their second month of life, it is time to castrate the male calves and immunize all of the calves to protect them against blackleg. Also the new information suggests that in some situations, calves may be vaccinated for the respiratory diseases, i.e. IBR and BVD. Check with your veterinarian for vaccination advice.

Correct administration of any injection is a critical control point in beef production and animal health. There is a negative relationship between meat tenderness and injection sites, including injection sites that have no visible lesion. In fact, intramuscular (IM) injections, regardless of the product injected, may create permanent damage regardless of the age of the animal at the time of injection. Tenderness is reduced in a three-inch area surrounding the injection site. **Moving the injection-site area to the neck stops damage to expensive steak cuts.** Therefore, cow/calf producers should make certain that their family members, and other hired labor are sufficiently trained as to the proper location of the injections before the spring calf-working begins.

Give injections according to label instructions. Subcutaneous (SQ) means under the skin, intramuscular (IM) means in the muscle. Some vaccines (according to the label instructions) allow the choice between intramuscular (IM) and subcutaneous (SQ). **Always use subcutaneous (SQ) as the method of administration when permitted by the product’s label.** Remember to “tent” the skin for SQ injections unless instructed otherwise by the manufacturer. Proper injection technique is just one of many components of the Beef Quality Assurance effort that has had a positive impact on the entire United States beef industry.

Another important aspect of the Beef Quality Assurance effort is keeping of accurate treatment records. Treatment records should include:

- Individual animal/group identification
- Date treated
- Product administered and manufacturer's lot/serial number
- Dosage used
- Route and location of administration
- Earliest date animal(s) will have cleared withdrawal period
- Name of person administering the product

Treatment records for cattle should be stored and kept for a minimum of three years after the animal(s) have been sold from your operation. Beef producers are encouraged to learn and practice Beef Quality Assurance Guidelines. You can learn more about the Oklahoma Beef Quality Assurance program by going to the website: <http://oklahomabeefquality.com/> The Oklahoma Beef Quality Assurance Manual can be downloaded from that site. Examples of treatment records to be kept and stored are available from the Oklahoma Beef Quality Assurance Manual or the Oklahoma Beef Quality Assurance program website.

Unusual cattle markets

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Unusual market conditions lead to unusual incentives that result in unusual market behavior. This makes markets unusually difficult to figure out. There is considerable variability in views across the industry about the current and coming fed cattle market for the remainder of 2015. And for good reason; we are seeing extremes in conditions and behavior that are clouding the picture.

The April 1 cattle on feed inventory was essentially unchanged from one year ago. However the makeup of that inventory was unique in several respects. The number of heifers on feed was not only down 10.1 percent from one year ago, it was the lowest quarterly heifer on feed number since 1996. This is not surprising given the anticipated heifer retention and herd expansion that is underway. Fewer heifers in feedlots would naturally suggest that steers make up a bigger percentage of total cattle on feed. More than that however, the number of steers on feed actually increased in April, up 5.4 percent year over year, to the highest quarterly steers on feed total since January, 2008. As a result, the April 1, 2015 steers on feed total was 69 percent of total cattle on feed, 2.4 percent higher than one year ago and a new record level. Until now, the 2014 total was tied for a record percentage of steers on feed that only occurred once prior (in 2005) in data back to 1996. It appears that feedlots have drawn heavily from available steer supplies to maintain feedlot inventories so far this year.

Variability in placement weights also adds to the challenge of determining the timing of fed cattle production. For many months, monthly feedlot placements have tended to swing between large proportions of lightweight cattle (less than 600 pounds) and placements of heavy feeders (over 800 pounds), often with fewer cattle in the traditional feeder placement weight categories of 600 to 800 pounds. The “tails” of the placement weight distribution add to the difficulty because there is no way to estimate the average weight in the category, especially for the heavy feeders. Average placement weights vary because of changes in average animal size and because of changes in the steer to heifer mix.

March placements consisted of 39.4 percent of placements over 800 pounds, the highest monthly level for the weight category in available data back to 1996. The average of January through March placements has the 800-plus pound category averaging 35.8 percent of total placements compared to 31 percent for the same period one year ago. A 12 month moving average of placements by weight group confirms that placements of 800-plus pound feeder cattle are at a record level at the current time. The average weight of this group could vary from just over 800 pounds to over 900 pounds and change the timing of marketings of these animals by a month. A casual review of auction reports suggests that significant numbers of steers up to and exceeding 1,000 pounds have been marketed this spring. This may suggest a somewhat bigger seasonal increase in feedlot marketings into the third quarter and a bigger tightening of fed cattle supplies late in the year. However, variability in the total number of placements and in the weight distribution in recent months makes this anything but a clear picture.

Steer and heifer carcass weights continue to push well about year ago levels as a result of several factors. On the one hand, heavier carcass weights offset declining cattle slaughter to reduce the impact of declining beef production in response to high beef prices. Steer and heifer slaughter is down 7.1 percent so far this year while total beef production is down only 5.2 percent, due to increased carcass weights. Both feedlots and packers are complicit in pushing slaughter cattle to heavier weights as a result of this general market incentive.

Feedlots continue to have additional production incentives to feed cattle longer and to bigger weights, as they have had for several months. Limited supplies of feeder cattle, record high feeder cattle prices and lower feed costs all contribute to feedlot incentives to hold cattle longer, which keep feedlot inventories higher despite declining feedlot production. Data from several Kansas feedlots confirms that average days on feed are at record levels. The increase in days on feed for heifers is even more pronounced than for steers, contributing to the lack of seasonal decline in heifer carcass weights so far this year.

In pursuing market incentives to delay cattle marketings and push cattle to bigger weights, feedlots are trading animal performance on the animals currently in the feedlot for the costs of replacing inventories with new animals. The Kansas feedlot data has shown for several months that average daily gains are lower year over year and feed conversions are higher; both expected outcomes of feeding heavier animals longer. As a result, feedlot cost of gain has not decreased as much as lower corn prices would suggest because poorer performance is offsetting some of the cheaper feed cost. This tradeoff suggests there is a limit to how far feedlots can push fed cattle weights. It also suggests that the incentive could change abruptly if feed prices were to increase.

Finally, the relative role of dairy animals in total feedlot production is at an unprecedented level. Declining beef cattle inventories and declining veal slaughter (most of which is dairy calves) mean that dairy animals accounted for nearly 26 percent of the net (adjusted for veal slaughter) 2014 calf crop; a record level. Dairy calves are typically placed on feed at very light weights and stay in feedlots up to a year. This means that relatively large numbers of dairy calves are impacting fed cattle markets in 2015. Analysts often use measures such as estimated cattle on feed over 120 days to assess the currentness of feedlot marketings. However, such measures are difficult to interpret when dairy calves play a proportionately larger role in cattle feeding as they do now.

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