

# GROWING BEEF



Iowa Beef Center's monthly newsletter  
@ Iowa State University



September 2008 • Volume 1 Issue 2 • [www.iowabeefcenter.org](http://www.iowabeefcenter.org) • [beefcenter@iastate.edu](mailto:beefcenter@iastate.edu)

## Considerations for culling decisions in cow herd

DARYL STROHBEHN

BEEF SPECIALIST

IOWA STATE EXTENSION

BYRON LEU

BEEF SPECIALIST

IOWA STATE EXTENSION

With the recent changes in feed and pasture costs, many producers are searching for ways to improve feed utilization, improve herd efficiency, and reduce feed and pasture costs. The culling approach can be an important part of this management plan. Traditionally, the culling process is initiated following weaning in the fall and represents 10-20% of the cow-calf operation's gross income. Through the culling process, most producers attempt to identify cows that are keeping the operation "in the game" and culling those that are costing the operation money. The list of reasons for culling can be quite extensive—but usually includes:

- **Cow reproductive status:** Cows that are open or late calvers are strong candidates for removing from the herd. The decision process is often clouded

because the producer needs to consider why the reproductive problem occurred.

- **Structural soundness:** Cows with bad udders, feet and leg problems, history of prolapse problems, etc., are definitely short-term cows and should be on the culling candidate list.
- **Performance:** The level of acceptable performance needs to be defined, measured, and fit the genetic goals of the operation. To best utilize these benchmarks, producers need to incorporate production measurements such as weaning weight, reproductive data, etc. Cows that are not raising an acceptable calf should be culled. Again, if the performance outcome was not the cow's fault, consideration to retain the cow should be evaluated.
- **Disposition:** Cows with disposition problems should be culled...period.
- **Health problems:** Health issues should



*A cow's ability to reproduce is taken into consideration when determining which cows to cull from the herd.*

be evaluated individually and culled if performance is negatively impacted.

- **Age:** Performance of aged cows varies significantly, with most producers assuming acceptable performance levels for cows up to 8-12 years of age. Depending on dental wear and level of nutrition, individual cows can continue acceptable performance beyond that standard.

### timely tips

## Cow culling practices

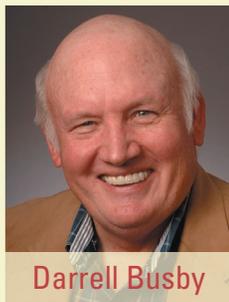
- #1 Use seasonality trends to project if feeding or retaining the cull cow for an extended period can add value to the cull cow.\*
- #2 Review the trend line to assist as decisions are made to market cows during calving and the pasture grazing time.
- #3 Consider taking the cows of early weaned lightweight calves to market - this can both reduce feed costs and help you take advantage of seasonally higher prices.

\*For more information on these tips and the complete Strohbehn-Leu article on cow culling, visit <http://www.iowabeefcenter.org/content/feedlot/2008/cow%20herd%20culling.pdf>.

IOWA STATE UNIVERSITY  
University Extension

Helping you become your best.

## Getting to know an IBC beef specialist



Darrell Busby

*Counties served:* Audubon, Cass, Harrison, Guthrie, Adair, Taylor, Page, Montgomery, Mills, Fremont, Shelby, East and West Pottawattamie

*What sort of activities are currently part of your program?*

We are just completing the 2008 4-H Beef Carcass Program with carcass data collected on 1,501 head from 46 different counties and state fair contests from Iowa, Minnesota, Missouri, and Kansas. Most counties in SW Iowa hold summary meetings for the 4-Hers and their parents which result in excellent questions both during and after the meeting. It is enjoyable to watch 4-Hers develop over the years in their beef knowledge and communication skills.

*What general conclusions were drawn from the White Fat Cull Cow Project you were involved in?*

Cull cow prices are normally low in the fall and rise after the first of the year. Placing cows on feed in late November for harvest in mid February has resulted in a positive buy-sell margin. We have fed 428 cows during the past six years. The cows were fed a high concentrate ration for an average of 83 days. Average daily gain was 3.49 with an average feed to gain of 10.97. Average profit for all cows was \$13.55/head. The 70 day feeding period will change fat color white resulting in a premium white fat carcass that will receive a premium above cull cow prices. Healthy, structurally sound cows weighing from 1000 to 1400 lbs are excellent candidates for this program. Cows require good windbreaks and lot maintenance to perform well in the feedlot. Cows should be vaccinated for virals, enterotoxaemia and implanted. Before placing cows on feed, develop a marketing plan by contacting premium white cow packers as there are only four packers in the upper Midwest and three are owned by the same company.

# Today's cull cow market influenced by many variables

SHANE ELLIS  
LIVESTOCK ECONOMIST  
IOWA STATE EXTENSION

Cull cow markets, as with any other commodity, experience trends and seasonality influenced by supply and demand. In the past five years, average monthly cull cow prices have been lowest in January and February and highest in May and August. However, beef cow slaughter volumes in the past year have been at their highest levels since 1997 as the national beef herd continues to liquidate. Usually increased supply would result in depressed prices, but cow prices so far in 2008 have been at levels near or above those of the record highs seen in 2004 and 2005.

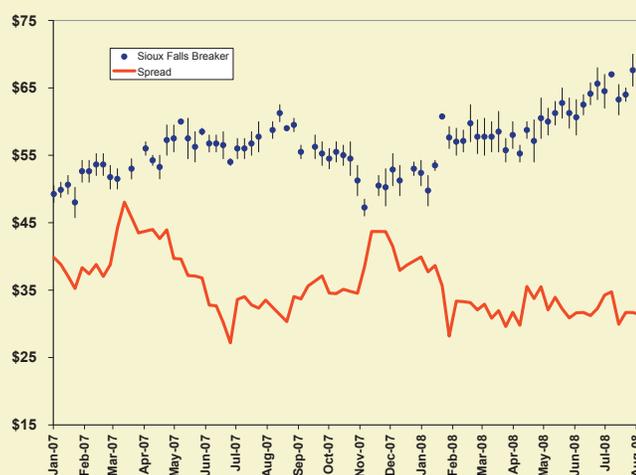
Nationally, the beef herd has been on the decline for the past two years with heifer retention declining while cow slaughter grew. Usually beef cow liquidation leads to lower cow prices, however a combination of rising boxed beef prices and declining beef imports have helped support the cull cow market. Beef imports have declined 21% from this time last year with the most significant declines of trade volume from Uruguay, Brazil and Australia. These countries usually supply lean trimmed meat from mature animals and destined for use as ground beef.

U.S. cow slaughter in 2008 has been up 13% from the same period last year, and despite increased slaughter cow volumes, cull cow prices have been gathering considerable strength since early summer. The accompanying figure (Table 1) tracks the breaker price paid for cull cows in Sioux Falls, SD over the past 20 months and the difference or spread between fed cattle and cull cow

prices. Cull cow values have been supported by increasing boxed beef values and consumer demand for cheaper protein sources such as ground beef. So far this year the average price spread between cull cows and fed cattle has been \$32.50/cwt (st. dev. 2.28) and much tighter and less variant than last year when the price spread was \$37.30/cwt (st. dev. 5.13) for the same period.

Historically the largest volume of cull cows

**Table 1: Breaker price for cull cows in Sioux Falls, SD**



enters the market after pastures are depleted and calves are weaned. The winter season is the most expensive period for maintaining cattle, especially with the increasing cost of stored feedstuffs. Last year the Sioux Falls cull cow prices dropped \$14/cwt from a peak in August to a low in November. This year may have a different trend if the spread between cow and fed cattle prices remains constant. Based on current live cattle futures and historic Iowa basis breaker slaughter cows prices could be in the upper \$60s/cwt in November and the lower \$70s/cwt in March. Maintaining a cow for four months would cost around \$120 (1.25 tons of hay @ \$95). A \$5 improvement in cow price in those four months might only mean a \$60-70 revenue improvement - not enough to justify the extra feed cost.

... and justice for all

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Many materials can be made available in alternative formats for ADA clients. To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964. Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914 in cooperation with the U.S. Department of Agriculture. Jack M. Payne, director, Cooperative Extension Service, Iowa State University of Science and Technology, Ames, Iowa.